Enhancing the functioning of the UN Resident Coordinator system

A Report prepared for the United Nations Department of Economic and Social Affairs

in preparation for

the 2012 Quadrennial Comprehensive Policy Review of UN Operational Activities

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Acronyms and Abbreviations

ASG	Assistant Secretary-General
CCA	Common Country Assessment
CCF	Country Coordination Fund
CD	UNDP Country Director
CEB	Chief Executives Board
CU	Coordination Unit
DAC	Development Assistance Committee (of the OECD)
DaO	Delivering as One
DO	Designated Official for Security Matters
DOCO	Development Operations Coordination Office
DSRSG	Deputy Special Representative of the Secretary-General
ECHA	Executive Committee on Humanitarian Affairs
ECOSOC	Economic and Social Council
EFW	Expanded Funding Window for the MDGs
ERC	Emergency Relief Coordinator
ExCom	Executive Committee of the UNDG
FAO	Food and Agriculture Organization of the United Nations
FMOG	Fiduciary Management Oversight Group
GA	General Assembly
HACT	Harmonized Approach to Cash Transfers
HC	Humanitarian Coordinator
HLCM	High Level Committee on Management
HLCP	High Level Committee on Programmes
HPM	UN-Habitat Country Programme Manager
HQ	Headquarters
IAAP	InterAgency Advisory Panel (on RC appointments)
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IM	Integrated Mission
JIU	Joint Inspection Unit
LDC	Least developed country
M&A	Management and Accountability System of the UN Development and the Resident Coordinator System
MDGf	MDG Achievement Fund
MDGs	Millennium Development Goals
MDTFs	Multi Donor Trust Funds
MIC	Middle income country
MOU	Memorandum of Understand
NRA	Non-resident Agency
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OHCHR	Office of the High Commissioner for Human Rights

PSD	Private Sector Development
QCPR	Quadrennial Comprehensive Policy Review
QSA	Quality Support and Assurance Programme
RBM	Results Based Management
RC	Resident Coordinator
RCAC	Resident Coordinator Assessment Centre
RCF	Resident Coordinator Fund
RCO	Resident Coordinator's Office
RCS	Resident Coordinator System
RMT	Regional Managers Team
RR	Resident Representative of the UNDP
SG	Secretary-General
SRSG	Special Representative of the Secretary-General
TCPR	Triennial Comprehensive Policy Review
TOR	Terms of Reference
UN	United Nations
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic & Social Affairs
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific & 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
UNS	United Nations System
USG	Under Secretary-General
WFP	World Food Programme
WHO	World Health Organization

Executive Summary

Since the creation of the position of Resident Coordinator (RC) in 1981, the RC has represented one of the major tools in the UN system's efforts to achieve system-wide coherence in its operational activities. In recent years, much greater emphasis has been placed on UN coherence as the result of new concepts introduced to the system, particularly "Delivering as One". The RCS system, which includes the UN Country Teams, the Coordination Units and associated programming processes such as the CCA, the UNDAF and a variety of common work planning tools, is the most powerful force working for coherence at the country level.

This report was particularly asked to address the possibility of differentiated models for the application of the RCS at the country level based on the country's level of development. Given that primary orientation, the report also looks at the current functioning of the RC system more generally and examines some of the key factors that impact on its effective functioning in order to make some limited recommendations on how the system might be strengthened in the future. Many of the issues identified could not be addressed in detail given the practical limitations on the preparation of this report.

Coherence efforts are paying off for the UN operational activities system. A recent survey of RCs and UNCTs indicated general agreement that the UN in the field is more coherent today than four years ago. RC/UNCT survey respondents consider that the top four factors in achieving enhanced coherence have been: 1) an improved spirit of cooperation in the UNCT, 2) the leadership of the RC, 3) the commitment of the programme country government, and 4) more streamlined and harmonized programming instruments and processes. Similarly, a recent survey of programme country governments indicated a general assessment that the relevance of the UN system to their needs is greater today than four years ago.

The Secretary-General concluded in his 2011 (based on 2009 data) funding report on operational activities[1] that total costs for the coordination of country level activities represent approximately 3% of total UN country programmable resources. The Secretary-General's conclusion in that document - that "the costs of coordinating the United Nations development system remain modest compared with the total value of country programmable resources" – appears well founded.

The RCS nonetheless faces a number of challenges that must be overcome if the gains made to date are to be consolidated and expanded. The UN system is very complex, even when restricted only to operational activities for development. In 2009, thirty-six different UN entities disbursed funds on operational activities and thirty-two UN entities are members of the UNDG. These entities vary dramatically in many ways, including in programme size and in their ability to bring both resources and expertise to bear at the country level. Each entity has some measure of independence at both the managerial and governance levels. This independence means that most decisions must be taken by

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[1] A/66/79

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consensus – both centrally in the UNDG and at the country level in the UNCT. As there is no single system-wide governing body and no system-wide responsible manager, coordination efforts are based largely on the voluntary participation of the various entities. The RC is the Resident Coordinator – and not the Resident Manager.

Several reports, including this one, observe that UN field coherence may have reached or is reaching the limits achievable given the UN system's current structure. Restructuring the system, partially or fully, presents enormous challenges. However, 80% of UN operational activities are delivered by entities with a direct reporting relationship through the Secretary-General to the General Assembly.

In working to achieve UN coherence at the country level, the RCS must overcome a number of long-standing forces that can lead to fragmentation. The RCS works horizontally across entity lines at the country level. However, most of the workings of the UN system are based on a series of relatively insulated, vertical, entity-specific systems and processes that link individual entity country representatives to their respective headquarters. These vertical structures exist in many areas critical to the successful workings of the RCS: governance, legal, programming, funding, accountability, management information systems, human resources, procurement and other supporting services.

There is broad agreement from surveys, reports and interview results that the ability of the RC to bring coherence into this system characterized by centrifugal forces is not based on the RC's formal authorities which are relatively limited, but on the personal skills of the RC and the cooperative spirit of the UNCT members. While personal skills are always important, a RCS based largely on the personal skills of the RCs may be vulnerable in the future. There is also a general concern that even the limited authorities of the RC that have been agreed at the UNDG level through the M&A System have not yet been fully implemented and internalized by many entities at the country level. Full implementation of already agreed measures coupled with some limited enhancements of the RC's formal authorities would contribute significantly to achieving the GA's objective of an effectively functioning RC system.

Since its inception, the RCS has evolved quite differently across countries - in response to quite different country characteristics and needs. This study was asked to look at the possibility of differentiating in the application of the RCS according to certain country categories or classifications – such as post-conflict, LDCs or MICs. However, differentiation in approach already exists extensively, in some cases following certain identifiable category lines (such as Integrated Mission countries) while in other cases (such as the DaO countries) crossing several different development categories. The RCS generally has been adapted as required to meet the realities of each programme country. A differentiated approach based on individual country characteristics should continue to exist. With the possible exception of the IM countries, traditional development-level category definitions do not prove particularly useful in determining the best structure for the RCS in any one country.

A review of the GA's TCPR decisions back to A/RES/44/211 of 1989 reveals considerable and consistent progress on most of the requests made. Whatever the importance of some of the issues raised in this and other reports, it is evident that General Assembly policies combined with effective management response has led to a much different UN operational activities system today – and specifically one that is

significantly more coherent than in the past. More difficult to measure is whether this enhanced coherence has led to similarly enhanced effectiveness. A matter of judgement is whether all coherence measures remain at some appropriate point on the cost/benefit curve.

Despite the enormous challenges involved in restructuring the UN system partially or fully, that the current structure imposes very real limits on coherence is an issue of which the General Assembly should be aware. While the task would be extremely difficult, no change will also have its consequences.

Recommendation 1: **the General Assembly may wish to review if some elements of either institutional or functional restructuring of the entities of UN system that report to it should be explored because they are deemed essential to achieving its coherence goals in the longer term.**

As outlined in this report, the full implementation of currently agreed UNDG measures such as the M&A System would further enhance coherence at the country level. To a certain extent, this report has been prepared in a transitional situation, where the full implementation of agreed measures has not yet been achieved.

Recommendation 2: **the General Assembly may wish to call upon all entities of the UN system to fully implement the measures for the more effective functioning of the RCS already agreed at the UNDG, particularly those of the M&A System.**

The General Assembly has through a series of TCPR decisions laid out a series of policies for the functioning of the RCS. In most cases, the system-wide response has been laudatory and the UN operational activities system today operates much more effectively as a result. The degree of implementation of some of the policies is however still incomplete and the meaning of certain previous General Assembly decisions is not always clear.

Recommendation 3: **the General Assembly may wish to reaffirm or clarify some of its previous decisions, including:**

1. **that the UN presence at the country level should be tailored to the country's needs and priorities and the UN system's planned programmes to address those needs and priorities, and not on the institutional structure of the UN system;**
2. **that the RC should review all substantive programme and project documents of all entities prior to their submission to the entity's HQ for approval and should have the ability to comment on such documents in a timely manner when deemed necessary;**
3. **that the RC should input to the appraisals of all entity UNCT representatives on their contributions to the effective functioning of the UNCT;**
4. **that there should be greater sharing of administrative systems and services in the field** (and the GA may wish to add) **as well as at HQ.**

Past TCPR resolutions have generally endorsed an enhanced role for the RC. Important progress has been made and this progress may become further evident as the M&A System is increasingly

implemented. However, the RC still has a very limited ability to help counteract the general centrifugal tendencies of the UN system.

Recommendation 4: **the General Assembly may wish to further enhance the role of the RC by requesting the UNDG to consider adjusting the RC job description and other relevant guidelines to include the following:**

1. **to recommend to the government, after consultation with the UNCT, that certain individual entity planned activities that might be detrimental to the UN's broader strategy for the country not be approved;**
2. **to recommend to the government, after consultation with the UNCT, which UN entities should participate in the UNDAF or other common programming processes in order to ensure a coordinated response fully aligned with the specific development needs and priorities of the country and its expectations for the UN system; and**
3. **to be consulted and to have the opportunity to submit comments in advance and in a timely manner on planned agency country representative appointments.**

The commitment of all UNCT members to UN coordination will be a critical factor in efforts to achieve some optimal level of system-wide coherence. There is evidence that the commitment of some team members and some UN entities is much greater than others.

Recommendation 5: **the General Assembly may wish to call upon all UN entities to:**

1. **communicate effectively to their field staff that their contribution to UN coordination is an important and integral part of their functions;**
2. **ensure that such contributions form part of regular staff performance appraisals; and**
3. **ensure the input of the RC to regular staff performance appraisals on the individual's contribution to the effective functioning of the UNCT.**

The General Assembly in past resolutions has called for the UNDG to ensure that RCs have the necessary resources to fulfil their role effectively. Current funding levels are considered to be somewhat inadequate and are under further stress. UNDG is currently carrying out an in-depth review of this issue that should be available by the time QCPR discussions are engaged.

Recommendation 6: **the General Assembly may wish, taking into account the results of the UNDG coordination funding review, to consider the role of Member States and all UN entities in ensuring adequate resources for the Resident Coordinator system.**

There is broad agreement that access to pooled funding at the country-level is an important incentive for smaller disbursing agencies to participate in coherence efforts. To date, virtually all pooled funding has come through donors' contributions which appear now to be under considerable stress. There has been no or very limited country-level pooled funding, as opposed to entity-specific joint programme funding, provided from the core resources of the UN entities.

Recommendation 7: the General Assembly may wish to request the UNDG to undertake a review of the importance of pooled funding for coherence efforts at the country-level and, to the extent it is deemed important, examine the feasibility of providing some level of pooled funding at the country level from the core resources of UN entities.

The General Assembly has, in a number of resolutions, stressed the importance of further harmonization and simplification of business practices and the increased sharing of administrative services at the country level. Some very useful progress on these issues has been achieved. The Business Practices study will contribute further to discussions on this issue. It appears however that major opportunities for rationalization still exist, particularly since most of the focus has been on field level changes rather than HQ changes.

Recommendation 8: the General Assembly may wish, for the major funds and programmes that report to the General Assembly, to initiate a fundamental review of existing business practices and their support systems, as well as the provision of administrative services, with a view to enhancing field support and reducing support costs through new common approaches at the HQ level, including the possible use of common systems and services for all of these funds and programmes.

This report indicates that the RCS has been creatively applied at the field level to take into account the prevailing realities of each country. Even within each of the different "models" identified in this report, their application varies significantly from country to country.

Recommendation 9: the General Assembly may wish to reaffirm that the application of the RCS at the country level needs to be tailored to the needs and priorities of the country and to the planned programmes of the UN system.

This differentiated application of the RCS across the range of UN programme countries reveals many different innovative approaches that can reduce the general cost of its operation. Some of these innovative approaches could potentially be applied in additional countries.

Recommendation 10: the General Assembly may wish to request the UNDG to synthesize a number of best practices that reduce costs and to assess their potential for broader application.

The Joint Office approach was at one recent time seen as having major cost savings benefits for the UN's operational activities and worthy of wide-scale application. For a variety of reasons, the approach has not been expanded beyond the initial pilot country. The problems identified that have limited the further use of the approach are real, but do not appear insurmountable given the important cost advantages achieved and the government support that it received.

Recommendation 11: the General Assembly may wish to request the UNDG to carry out a full review of the Joint Office experience to date, to assess the feasibility of solutions to identified problems, with an ultimate view of possible expanded use of the Joint Office approach in smaller programme countries.

Some smaller disbursing agencies have indicated that their activities in some countries are not considered "legitimate" unless they are part of the UNDAF process. For many smaller disbursing agencies, particularly those that are essentially responsive to government requests, this can present challenges that are both difficult and costly to overcome.

Recommendation 12: the General Assembly may wish to explicitly recognize that the largely responsive activities of smaller disbursing agencies need not be aligned with the UNDAF where the RC has been advised in advance of the planned activity and raises no objections.

The General Assembly has underlined on a number of occasions that the UN system at the country level should be based on the needs and priorities of the country rather than on the institutional structure of the UN system. While a more in-depth review is required, expenditure pattern analysis for smaller disbursing agencies might indicate that in a significant number of countries the level of expenditure appears to be based largely on maintaining an entity's country representative. In many cases this may be justified given the historic role played by entity representatives at the country level. Nevertheless, it is also possible that these costs could be reduced by more innovative approaches.

Recommendation 13: the General Assembly may wish to call upon all smaller disbursing UN entities to review their country level representation and to consider alternative innovative approaches.

In countries with very large humanitarian programmes, the workload placed on the RC/HC may be excessive and fall somewhat outside of the work experience of the RC. In such cases, splitting of the two functions might be desirable.

Recommendation 14: the General Assembly may wish to call upon the UNDG, in full consultation with ECHA, to review whether, and under which prevailing conditions, separate HCs should be appointed in countries with particularly large humanitarian programmes, with the HC in such situations remaining a member of the UNCT and maintaining established country team member relationships with the RC.

Report

<u>**INTRODUCTION**</u>

This report responds to a request for a general overview of the Resident Coordinator System (RCS) as it operates today with the intent of examining possible measures that would lead to "Enhancing the functioning of the UN Resident Coordinator System". The system is considered to include the Resident Coordinator, the UN Country Team (UNCT), the RC Office or Coordination Units and entities that support the work of the RCS at the regional and global levels. The effective functioning of the RCS cannot be separated from the programming tools and business practices on which the system depends. These two issues are the subject of separate reviews but are frequently mentioned here due to the obvious linkages.

The structure and findings of the report are determined in large measure by two operative paragraphs of ECOSOC resolution 2011/7:

- An assessment of the functioning of the resident coordinator system, including its ability to represent and support the entire United Nations system at the country level, in alignment with national development priorities, and, if needed, recommendations for measures in that regard; and
- An analysis of how the characteristics, approaches and strategic and programmatic frameworks of the United Nations system operational activities should evolve to respond to various country situations, based on the principles of national ownership and leadership, and to the evolving international development cooperation environment.

The Terms of Reference for this review specify the following objective: "to advance the understanding among stakeholders of how the UN system can be **tailored** to deliver coherent, effective and efficient support that is responsive **to different country situations**/typologies (i.e. LDCs, MICs, countries in transition from relief to development, or otherwise) based on the principles of national ownership and leadership" (bold and underlining added). To fulfil this objective, this report has interpreted this objective as meaning an exploration of how the basic elements of the Resident Coordinator System might be applied differently in different country situations. The term "differentiated approach" is used in this report to reflect this concept.

It is of great importance to take into account this primary orientation of the report. There are many issues surrounding the functioning of the RCS that this report can only address in a very limited and impressionistic manner. Given the breadth of the subject matter, the report acknowledges that many of its statements are based on views expressed by knowledgeable individuals but which are not supported by hard data. Pursuing all of these issues in detail and/or developing such hard data were clearly beyond the scope of this report. In consultations on earlier drafts, many felt that a number of issues were treated with insufficient depth. That is true, since some these issues justify full in-depth examination on their own.

The objectives of the Resident Coordinator System cannot be addressed in isolation from the costs of supporting the system. When the term costs is used in this report, unless specifically qualified where used, costs include both funds disbursed for direct support to the system **and** the staff time costs which are paid from other budget lines to support functions related to the participation of the various entities in various coordination activities. Under the new cost classification system for the funds and programmes these latter costs are not considered to be coordination costs.

Considerable discussion in this report focuses on the objective of "achieving coherence" for the activities of the various UN entities at the country level in order to better support the country in pursuing its development goals. Coherence is not an objective in and of itself. The broader programmatic objective for the UN system in recent years has been to assist countries in achieving the Millennium Development Goals. That is recognized as the over-riding objective of UN operational activities. However, the report identifies four additional "operating objectives" that have been priorities for operational activities in recent years:

1. effectiveness: improving the impact of UN operational activities overall;
2. efficiency: reducing transaction costs for both the programme country government and the UN system entities;
3. inclusiveness: bringing the diverse capacities of all relevant UN entities to address defined objectives; and
4. coherence: avoiding overlap and duplication between agency activities and integrating all relevant agency inputs in a manner that the whole becomes more than the sum of the parts. Recognizing that coherence is not the overriding objective of operational activities, it has nevertheless been an "operational objective" of the system and it is in that context that the term is used.

Although enhancing coherence is often one of the stated operational sub-objectives of the coordination activities of the UN development system, the meaning of coherence is not always clearly defined. For the purposes of this review, coherence is considered to mean:

"the coming together of a series of discrete activities in a manner that the total impact of all activities is greater than the sum of each individual activity, or at least in a manner where one activity does not diminish the impact of another, and where the costs of achieving coherence are reasonable in relation to the value-added results achieved".

A number of General Assembly resolutions provide a legislative background for the functioning of the RCS. Two have been specifically included in the TOR for this report:

1. GA Resolution 60/1 on the World Summit Outcome: "with a strengthened role for the senior resident official";
2. GA Resolution 62/208 on the Triennial Comprehensive Policy Review (TCPR): "reaffirms that the resident coordinator system, within the framework of national ownership, has a key role to play in the effective and efficient functioning of the United Nations system at the country-level,

including in the formulation of the common country assessment and the United Nations Development Assistance Framework, and is a key instrument for the efficient and effective coordination of operational activities for development of the United Nations system"; and

3. GA Resolution 62/208: "requests the Secretary-General, in consultation with the members of the United Nations Development Group, to ensure that resident coordinators have the necessary resources to fulfil their role effectively".[2]

In addition to these two GA resolutions, Annex A contains various extracts from all TCPR resolutions back to 1997 that are considered of particular relevance to this report. The main themes of these extracts are as follows:

1. the skills and expertise of the UN at the country level should reflect the requirements of the developing country, rather than the institutional structure of the UN;
2. the need for simplification and harmonization of a variety of rules, procedures, processes and practices (including common shared services at the country level);
3. the strengthening of the team leadership capacity of the Resident Coordinator;
4. the involvement of the RC and the UNCT in the review of all major programme and project documents of the entities before their approval at the HQ level;
5. the desire for appraisal processes to reflect the contribution of staff members to UN system coordination;
6. the need for the RCS to be participatory at the country level;
7. the recognition that coordination entails costs that need to be regularly assessed in relation to total programme expenditures;
8. the recognition of the RCS as a key factor in the effective and efficient functioning of UN operational activities and the request that all entities enhance their support for it;
9. the need for stronger cooperation and coordination at the HQ level to complement similar coordination at the country level;
10. the need to foster an inclusive approach in promoting inter-entity collaboration and to secure a more participatory approach;
11. the need for UNDG entities with multi-year programmes as well as the entities of the Secretariat to fully align their respective programming with the UNDAF;
12. the need for the UN system to provide further financial, technical and organizational support to the RCS and for the RCs to have the necessary resources to fulfil their role effectively;
13. the management of the RCS continues to be firmly anchored in the UNDP;
14. the need for UNDP in certain circumstances to appoint a country director to run its core activities, including fund-raising, so as to ensure that the RCs are fully available for their tasks; and
15. the recognition that the RCS is owned by the UN development system as a whole and that its functioning should be participatory, collegial and accountable.

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[2] these are the GA resolutions specified as relevant in the TOR for this review

It is evident that the UNS does not possess unlimited resources to pursue the objectives of inclusiveness, coherence and effectiveness. The investment of limited resources in achieving these objectives must always be framed in the context of alternative uses to which the funds might be used for other activities of the UN system. Each investment must be viewed in the context of its net benefit, particularly when the alternative uses of the funds are considered.

Many of the UNDG guidelines for the functioning of the RCS are phrased in general terms such as: enhancing the role of the resident senior official, ensuring the inclusiveness of all components of the UN system, and decision-making processes based on consensus and collegial approaches. These are all valid objectives. Each has a cost. This review will therefore consider efficiency alongside the other three objectives of inclusiveness, coherence and effectiveness.

METHODOLOGY

The TOR call for this report to be based largely on work already carried out by others, as well as on other work being carried out in support of preparations for the QCPR. All of the QCPR related studies and surveys, as well as an early draft of the evaluation of the *Delivering as One* pilot countries were available at the final stages of preparation of this report, with the exception of the Business Practices report, for which only the preliminary findings were available. Some of the results of these studies and surveys have been incorporated where applicable into this report.

This report is not an evaluation and does not follow recognized evaluation methodology. The report is heavily based on a paper review of existing documentation. In addition, in excess of one hundred personal interviews were carried out, heavily oriented to present or past officials based in New York. These interviews were supplemented with individual and group teleconferences with officials outside of New York. One country visit was carried out to provide practical input from the country-level. Individuals interviewed included: UN entity officials, officials involved in direct support to the RCS through the Development Operations Coordination Office (DOCO), government representatives, consultants who had prepared a variety reports on related issues, serving RCs and individuals with RC experience. While there was a practical limit on the number of interviews that could be accommodated, the views expressed tended to be generally consistent when views were grouped according to the affiliations of those interviewed.

While it may be necessary to present here again certain information from existing studies which are important to the analysis of this report, an effort has been made to keep this to a reasonable level. The report also deliberately tries to avoid delving into the managerial details relevant to the functioning of the RCS. Books could be written on this subject, for the RCS has engendered a flourishing, competently staffed and very busy supporting machinery. What this report does try to do is to look at some of the key issues impacting on the system's functioning that are considered relevant in determining the future direction of high level policy guidance from the General Assembly for the functioning of the RCS. It also examines some of the key principles that govern its current operations. Where considered necessary, the report raises questions about the continued relevance of some of those key principles or the manner in which they are being pursued.

OBJECTIVES OF THE RC SYSTEM

Why does the RCS exist? The need to focus on the concept of <u>coordination</u> rather than <u>management</u> arises from the historical structure of the UN system. The operational activities of the UN system are delivered by some 36 different UN entities, each of which has some important elements of independence at both the governance and managerial levels. As there is no single system-wide governing body and no single system-wide responsible manager, the goal must be to optimize coordination between the entities, each of which ultimately participates in such processes on a voluntary basis. The RCS is a major tool in promoting this voluntary coordination.

In his report to ECOSOC on the *Functioning of the resident coordinator system, including the cost and benefits* (E/2010/53), the Secretary-General laid out three basic objectives for the RCS:

1. increased effectiveness, through a coherent approach to development by a well-coordinated United Nations response aligned with national priorities;
2. increased efficiency, through harmonization and simplification of programming processes and instruments; and
3. enhanced accountability, both to the national authorities and to the United Nations development system.

In addition to these formally stated objectives, it is generally agreed that three other objectives exist:

1. to address the image problem of the UN development system as being fragmented and lacking in coherence;
2. to build donor confidence so as to attract greater levels of voluntary funding; and
3. to build a unified image for the UN system that reflects the participation of all UN entities.

All six objectives outlined in the preceding paragraphs are of continued relevance to the functioning of the RC system.

A BRIEF OVERVIEW OF THE CURRENT COORDINATION STRUCTURE

In 2009 36 entities (including some Secretariat departments such as UNDESA) were reported to have disbursed UN operational activities funds. The UNDG comprises 32 member entities and is generally considered to represent the UN development system. The number of organizations potentially involved in any one country can therefore be quite extensive. There are an average of 14.4 UN entities with expenditures in each programme country (see Annex B, Table 6).[3]

The broader institutional structure of the UN system has not in the past lent itself to any major restructuring due to the complex legal, governance and cost issues involved. The evolution of the system has tended historically to be in the direction of the expansion of the number of entities rather than contraction, adding new entities rather than rationalizing the basic institutional structure. Each

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[3] it is important to read the cover sheet of Annex B to understand the basic data on which all Annex A tables are based

organization maintains its own governance structure (although some are common to several entities), policies, programming processes and RBM structures, accountability lines and support services such as procurement, human resources, management information and financial systems. For the Specialized Agencies in particular, individual governing bodies are supreme with no formal reporting relationship to the UN General Assembly, nor do the executive heads of the Specialized Agencies have a reporting relationship to the Secretary-General. Even where entities do report to the Secretary-General, as with a number of the funds and programmes, each has its own governing board dynamics (including the dependence on voluntary funding) that limit the ability of the Secretary-General to intervene in their decision-making processes.

During the interviews carried out for this report, a number of interviewees expressed the view that major institutional realignment[4] of the UN system was the only realistic measure to achieve a more coherent long-term UN system. These views were based on the belief that coordination as a tool was close to reaching its practical limits given the many other forces at work (some of which will be discussed later in this report). The possibility of such an institutional realignment was considered briefly by the High Level Panel on UN System-wide Coherence, but was quickly dismissed as impractical. While recognizing the very real challenges inherent in the system as it currently operates, many felt that there still existed considerable scope for improved coordination without systemic realignment. It was therefore seen as being important to make the best of the RCS even if it is a far from perfect tool. The overall question however is pertinent – what can the UN system ultimately achieve in terms of coherence with an approach that is essentially based on the voluntary participation of many entities with quite high levels of independence?

While agreeing that there is still room for enhanced coherence within the very real limitations of the UN system's current institutional structure, this report generally shares the view expressed in the parallel report for the QCPR preparations titled *Support to countries in transition from relief to development[5]:*

> "Indeed, in the absence of such fundamental changes to the UN's governance structure and fairly radical reforms to its funding arrangements, there are limits to the gains that people at HQ and in the field can achieve in terms of coherence. Once more, the gap between goals and rhetoric on the one hand, and what can actually be changed and accomplished without such changes on the other hand, is fueling disenchantment with the coherence agenda and its promises. The high transaction costs involved in making marginal progress may further prod a momentum shift away from coherence and integration, with parts of the system tempted to revert back to tried and tested, autarchic practices.

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[4] institutional realignment here means the possible combining of institutions according to partially or fully shared purposes – such as the proposals in the Secretary-General's *In Larger Freedom* document A/59/ 2005 that raised (but did not pursue) the possibility of institutional realignment based on three pillars – development, humanitarian and environment.

[5] Support to countries in transition from relief to development, Jacquand and Kaye, Spring 2012

With the recognition that coherence is a means, rather than the be all and end all of UN engagement in-country, there is also a sense that coherence may turn into a straightjacket, blinding the system to new opportunities, risk taking, and creative thinking. **The policy discourse should emphasize that coherence is desirable where it makes sense, and focus its efforts on ensuring that people in the field are skilled, equipped, and empowered to tailor coherence policies and tools to their context"** (bold in the original).

Further support for this general theme can be found in the lessons learned of the Draft DaO Evaluation Report, particularly lessons learned 9 and 10 as reproduced in Annex J.

Decisions impacting on the system as a whole are taken in the CEB, where the normal decision making process is governed by consensus. While the Secretary-General does obviously possess the power of moral suasion, he is in the end *primus inter pares* and is not empowered to manage the overall UN system. Consensus is therefore required to undertake system wide initiatives and these must ultimately be endorsed by the various responsible governing bodies. This decision-making pattern (and other consensus decision-making processes within the UN system) reflect what one writer has called the phenomenon of "double lowest common denominator". Proposals to governing bodies are carefully drafted by staff in the first level of consensus decision-making, with Member States then deciding on the proposals eventually presented – also by a process of consensus. This "double consensus" approach is generally universal within the UN system for decisions impacting on any grouping of entities, and it is evident in decisions presented and adopted relating to the principles and operational guidelines of the RCS.

Given the inflexibility of the UN's institutional structure (except perhaps to expand), UN reform processes aimed at enhanced coherence have had to focus almost exclusively on coordinating the efforts of the various entities, each of which participates on a voluntary basis. To improve coordination, a variety of mechanisms have evolved at the country, regional and global levels. All entities have today policies calling for positive cooperation with UN coordination mechanisms. Internalizing and implementing this commitment to coordination varies greatly however within the system. One interviewee who works daily in the RCS coordination structure, opined that "it is not new legislation that we require on coherence, it is implementation by the entities of what they have already agreed to".

At the macro level, the priority accorded to enhanced coordination is therefore common throughout the system, while the internalization of that commitment into daily activities appears highly variable. At the micro level, issues of interpretation, combined with the personalities of the involved officials and the general lack of meaningful incentives to coordinate can very much impact on the real level of cooperation achieved. It is evident that overcoming the fragmentation tendencies of such an extensive system solely through coordination activities largely achieved by consensus at the country level is a daunting challenge. Another interviewee also closely involved in daily coordination activities of the RCS, noted that "we have plucked the low hanging fruit - we are not making any further major gains – further progress will be limited". This raises the rather fundamental question of the level of internal UN-system coherence that should be targeted for the many entities that carry out operational activities so that the efforts required represent added-value in relation to the resources required.

1. at the Global level

The most senior body of officials working towards coherence is the Chief Executives Board (CEB) chaired by the UN Secretary-General. CEB furthers coordination on a range of policy and management issues facing the organizations of the UN system. The CEB has three sub-committees:

1. the High Level Committee on Management (HLCM) – which addresses system-wide administrative and management issues;
2. the High Level Committee on Programmes (HLCP) – which addresses global policy issues; and
3. the UN Development Group (UNDG) – which promotes coherence and effective oversight, provides guidance and capacity-building with country-level partners, supports the coordination of UN development operations at the country-level, provides policy guidance on issues related to country-level operations including the implementation of the TCPR/QCPR resolutions, and generally supports the RC system.

While the work of the CEB and the three committees all impact in some measure on the goal of system-wide coherence of operational activities, it is the UNDG which has this as a primary focus and which therefore is the most important global level entity working towards this goal. The UNDG furthermore is responsible for governance of the RCS, although that system is managed and (largely) funded by the UNDP on behalf of the UNDG. Key to decisions impacting on the RCS are three guiding principles:

1. the RCS is owned by the UN development system as a whole and its functioning should be participatory, collegial (normally being interpreted as being "by consensus") and accountable;
2. the UNDP is the manager of the RCS on behalf of the system as a whole, with guidance from all through the UNDG and its Advisory Group and accountability to all through the UNDG and its Advisory Group to the CEB; while
3. the previous two considerations have led to the concept of the UNDP 'functional firewall', which is intended to clearly separate the RC's functions as Resident Coordinator from her/his functions as UNDP Resident Representative.

The Chair of the UNDG is the Administrator of the UNDP. The vice-Chair comes from one of the 31 other entities that comprise the UNDG as a whole. In her/his function as Chair of the UNDG, the UNDP Administrator reports to the Secretary General and the CEB on the functioning of the RCS system. The UNDP Administrator in addition to her/his role as Chair of the UNDG is the senior executive of the UNDP, which has amongst its functions the management and lead funder of the RCS. The Administrator separates the two roles: as Chair of the UNDG she serves the UN system as a whole, as UNDP Administrator she manages the UNDP and is accountable to the UNDP Executive Board.

The Chair of the UNDG is provided with advice and guidance on managing the operational dimensions of the UNDG and the RCS by the UNDG Advisory Group. The UNDG with its 32 members replaces the former ExCom. The former ExCom consisted of the four Executive Heads of the major operational funds and programmes: UNDP, UNICEF, UNFPA and WFP. The newer UNDG Advisory Group consists of 11 permanent members (FAO, ILO, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, WFP, WHO, UN Women) and three rotational members who are selected from the remaining UNDG members and who

serve for a period of one year. The Advisory Group is therefore more comprehensive in representing the views of the UNS as a whole, but at the cost of complicating the consensus-based decision-making process by expanding from 4 to 14 members and by including representatives of agencies with much smaller levels for operational activities than the former ExCom agencies.

Those interviewed had highly mixed views on the evolution of the UNDG. Individuals[6] from most entities (but not all) outside of the four major funds and programmes welcomed the changes as much-needed in terms of their representation in the governing process of the RCS. A number of individuals from the larger operational entities felt the UNDG had been "taken over" by the smaller entities, that the relatively effective decision-making that had characterized the ExCom days had been lost, and that lowest common denominator consensus decisions were now being imposed on the UNDG by the numerical superiority of the smaller entities, many of whom have very small operational activities disbursements.[7]

The UN Development Operations Coordination Office (DOCO) is the technical support unit for the UNDG. DOCO provides the link between UNDG discussions at headquarters and the work of the RCS at the country level. It aids the UNDG in preparing system-wide agreements, policies and guidelines for country offices. DOCO helps the UNDG develop and introduce simplified and harmonized policies and procedures that are vital to country office operations in areas such as communications and IT systems, human resources, procurement, financial rules and regulations, standardized auditing and financial reporting, cost recovery, and funding to partner organizations.[8] The work of DOCO in these areas does not however supersede the practices of the individual entities represented in the country teams. DOCO also plays a critical role in developing and advising UNCTs on the functioning of the common programming system where it is used, such as the Common Country Assessments, the UN Development Assistance Frameworks and common work plans.

DOCO administers the centrally provided funding that partially finances the work of the country level coordination units that support the RC and the UNCT. Many coordination units also mobilize resources locally to supplement the funding provided by DOCO[9]. Generally, the funds available are limited and are provided by the UNDP and a number of donors. In the country visited for this report, one of the UN system's major programme countries, due to the resource constraints opposed upon it, DOCO funding was limited to $25,000 of a total coordination services budget of approximately $375,000. DOCO provides targeted support to RC Offices and UNCTs operating in transition countries. This includes providing crisis and post-conflict specialists to help teams conduct post-conflict needs assessments, to develop results frameworks, to launch strategic planning exercises and to develop financing mechanisms for transitions.

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[6] it is important to note that individuals were given assurances of confidentiality in order to encourage open and frank responses, which means they spoke as individuals and not as agency representatives
[7] see Annex B – Table 1 for 2009 figures for UN operational activities expenditures
[8] from UNDG website
[9] a fuller treatment of the funding available to DOCO is contained in a later section of this report

To support the work of the UNDG, DOCO has a number of mechanisms: including two working groups, two networks and a varying number of task teams. The two working groups are the UNDG-ECHA Working Group and the RCS Issues Working Group. The two networks are the UNDAF Programming Network and the Joint Funding and Business Operations Network. The Task Teams are generally time-bound and therefore disband on task completion. At the time of writing the active Task Teams were:

1. Common Premises;
2. UNDG Human Rights Mainstreaming Mechanism;
3. Gender Equality;
4. Fiduciary Management Oversight Group (FMOG);
5. Harmonized Approach to Cash Transfers (HACT) Advisory Panel;
6. Joint Funding Sub-committee;
7. Aid Effectiveness (task specific and time limited); and
8. UNDG-MDG task force (task specific and time limited).

In addition to these Task Teams, two inter-agency bodies report directly to the UNDG – the Steering Committee for the Expanded DAO Funding Window (directly to the UNDG) and the UNDG Fiduciary Management Oversight Group (to the Advisory Group).

2. at the Regional level

Individual UNCTs are supported by their Regional UNDG Teams. The Regional Teams are intended to provide leadership, strategic guidance and support to RCs and the UNCTs for the achievement of country level results. They are focused on:

1. the provision of coherent and timely technical support to the RCs and UNCTs;
2. quality support and advice of the UNDAF through the Quality Support and Assurance Programme (QSA) mechanism;
3. performance management; and
4. 'trouble shooting' in difficult country situations – including contributing to the resolution of any disagreements that might arise in the RC/UNCT context.

Regional teams are composed of the regional representatives of the major UN entities. Due to the different structures of these entities, regional team members are often in different cities. Different entities also have different regional definitions, which leads to alignment challenges. The basic structures and functioning of the regional teams appear to be evolving somewhat differently in different regions.

A number of interviewees expressed concerns about the ability of some regional teams to perform effectively and with reasonable efficiency the responsibilities assigned to them. Some felt that the functioning of the Regional Teams need an in-depth review, which was not possible for this report. In the RC/UNCT survey, respondents rated *the support received from the UNDG regional team* as the 15th out of 16 most important factors that had contributed to increased coherence of the UN development system over the past four years (see Annex H Table 2). However, in the comments section of the survey,

a number of respondents noted that lowly rated factors were often the result of insufficient resources being made available for the factor.

3. at the Country level

By far the greatest burden for achieving enhanced UN system coherence falls at the country level – and specifically on the government, the RC and the members of the UNCT.

Leadership by the government varies significantly between countries. Governments with effectively functioning development planning and coordination capacities can exercise a high level of leadership over the country level activities of the UN entities and can play a major role in encouraging new and innovative working approaches for the UN system within their countries. Where these capacities are weaker, such leadership may not be as evident, with consequently less priority attached to new approaches to enhance coherence. However in some countries, line ministries are the more normal channels of contact – the line ministry linking directly with its counterpart UN entity. This can on occasion result in stress in both the government and the UNCT between "broader issues management" and "sectoral management". The specialized agencies, which are sectorally oriented, have in many cases long standing working relationships with their counterpart sectoral entities, but may have more limited relationships with the government's central planning entities. Coherence may be more difficult to achieve if the government prefers to deal primarily through its line ministries working with their UN counterparts on issues limited largely to one sector. Where the government may not wish or be able to exercise its leadership role, then the burden falls upon the Resident Coordinator working with the UNCT to achieve the best level of coherence possible.

 Some of the new approaches which will be discussed in more detail later, such as the Delivering as One (DaO) pilots and the Joint Office (Cape Verde) have evolved largely because of strong government leadership combined with committed RCs and UNCTs. The major payoffs for the government are in a greater overall alignment of UN activities with its own priorities, enhanced overall programme effectiveness, reduced transaction costs in managing the UN relationship, and in the possibly enhanced ability to attract additional programme resources.

 Currently, there is an expectation in the objectives for the RCS that transaction costs for both the government and for the UN system can be reduced concurrently. A number of those interviewed believed this was not possible. It was their view that reducing transaction costs for the government increases transaction costs for the UNCT – at least in the short to medium term. While there is certainly some truth to this, it is also possible that certain initiatives, such as the HACT[10] and the general reduction of competition for funding between entities, should reduce transaction costs for all parties.

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[10] both the UNCT and the government of the country visited for the preparation of this report expressed considerable concern with the current HACT. The policy of quarterly advances against subsequent implementation reports was considered much too tight for a federal state in which advances must be received and then transferred to states doing the implementation before activities could occur. To expect reporting back on expenditures within three months was considered unrealistic and was a much more stringent policy than that of other donors. Despite a combined demarche by both the major UN entities operating in the country and the government, no change in the HACT policy had been achieved.

Nevertheless, many stated that their workloads and costs did increase as the UN adjusted within its own operations to reduce the demands made on governments. Those interviewed did not object to reducing transaction costs for the government, provided they were appropriately resourced to deal with their own increased workloads. Many felt the latter condition was not being met.

UN leadership for development activities at the country level is vested in the Resident Coordinator System (RCS) which embraces both the RCs and the UNCTs. The RCS encompasses all organizations of the UNS dealing with operational activities regardless of their formal presence in the country. The RCS is managed and largely funded by the UNDP, but it is owned by the UN development system as a whole. The RC is appointed by the Secretary General and is accredited by the government. The RC is accountable for his/her RC functions to the Chair of the UNDG who in turn is accountable to the Secretary General and the CEB for the functioning of the RCS. The detailed mutual accountabilities are now spelled out in the Management and Accountability System of the UN Development and the Resident Coordinator System (M&A). The accomplishments to date of the implementation of this M&A framework were reviewed in 2011 by external consultants and resulted in a number of findings and recommendations. These results will be referred to elsewhere in this report. With this extensive review having been recently completed and with the UNDG and respective managers of various UN entities are aware of and reviewing its conclusions and recommendations, no additional detailed review of the functioning of the M&A system was deemed necessary for the preparation of this report. However, some concerns about the internalization and application by some entities of the provisions of M&A framework are discussed. But it must also be noted that a number of entities have made considerable progress in implementing the M&A Framework, even though it is worded as a medium to long term vision. In addition, the implementation process is carefully monitored and assessed by the UNDG.

The RC is intended to have an equal relationship with, and responsibility to, all UNCT member entities. This principle is important, since the UNDP, which manages and largely funds the RCS, is also one of the participating entities at the country level and since a majority of RCs are sourced from the UNDP.[11] In turn, the RC is to be empowered at the country level by each member of the UNCT by her/his entity's clear recognition of the RC's role in strategically positioning the UN in each country. The RC is to be supported as required, with access to each entity's technical resources as agreed by the entity's country representative - balancing available resources with tasks to be performed. Thus, the RC is only empowered to lead when so empowered by UNCT member entities and is supported only to the extent as agreed by the UNCT member entities.

It is perhaps not surprising, given the very clear parameters placed around the RC's leadership authority, that most reviews of the performance of the RC function as well as the survey of RCs and UNCT members underline that the critical success ingredients lie not in the structure or formal authorities, but in the strong personal leadership skills of the RC and the strong commitment of UNCT members. In the RC/UNCT Survey, the two most highly rated factors in making the UN more coherent over the past four years were: 1) an improved spirit of cooperation in the UNCT, and 2) the leadership of the UN resident

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[11] the M&A review reported that in early 2011, 64% of RCs were from UNDP, 25% from other funds and programmes, 2% from the specialized agencies, and 9% from other sources

coordinator (see Annex H Table 3). This view was also underscored by the interviews carried out for this report.

There is no system-wide delegation of authority that allows the RC to exercise leadership or decision-making functions without the agreement of the individual UNCT members. The most recent RC job description does provide for the RC to lead "the UNCT in strategic development of the UNDAF and specifically (to take) the final decision on strategic focus and allocation of resources against that focus, if consensus cannot be reached within the UNCT". The role of the RC to have the final word on allocation of resources applies only to those situations where some pool of resources is available for allocation by the UNCT – such as the One UN Funds or other MDTFs. The Secretary-General's 2011 funding report on operational activities noted that in 2009 only 12% (up from 9% in 2008) of non-core funding was provided to pooled funding arrangements such as thematic funds, MDTFs, and One UN Funds.

It would appear that centrally-mandated changes in the RC's authority do not meaningfully affect the ability of the RC to carry out his/her functions until those changes are internalized and operationalized by the entities' country representatives. Many RCs interviewed believe that this only happens when very strong signals of support for the changes are passed from individual entity HQs to their country representatives – a practice they consider to be not consistent and timely across all entities.

Some historical structures do place some very clear limits on the ability of the UNS to achieve full inclusiveness and coherence. In the case of the WHO, the regional directors are elected by Member states in the region (not appointed by senior management) and have a direct and primary obligation to report to those Member States. As an example, at the country level certain practical limits exist on the role of the WHO in the UNCTs, as the WHO country representatives essentially serve as the WHO secretariat assigned to the host government and hence work in close proximity and with a direct reporting relationship to the health ministries and to their own regional directors. WHO ranks fifth among UN entities in terms of operational activities expenditures, and ranks third in development expenditures within the system if both the WFP and UNHCR are considered as mainly (but not exclusively) humanitarian in nature. Despite its structural difficulties, the Secretary-General has reported[12] that WHO is strengthening the capacity of its country teams to engage in UN reforms through a toolkit on alignment and harmonization. Certain other entities have restrictions that might also impact on their ability to work fully within the UNCT context.

At the programming level, the goals of coherence, effectiveness and efficiency of overall UN activities are sought in many countries through three UNCT joint exercises:

1. the Common Country Assessment (CCA) – which reviews and analyses the development situation in the country and identifies the key development challenges as a basis for advocacy and policy dialogue and forms the basis for the preparation of the UNDAF;
2. the UN Development Assistance Framework (UNDAF) – which is the strategic programme framework that describes the collective response of the UN system to the country's development priorities; and

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[12] E/2010/53 paragraph30

3. the common (or partially common) work plans which arise from the UNDAFs and which take a variety of different forms across the various countries.

In the RC/UNCT survey, respondents rated *Programming instruments and processes that are more streamlined and harmonized* as the 4th most important factor (of 16 factors) in making the UN more coherent over the past four years (Annex H Table 3).

In the survey of Programme Country Governments, when looking at measures to reduce the workload on national partners, respondents rated *Use a single format for annual work plans* as the most important of eight factors, while *Simplify the UNDAF and agency country programming or planning processes* was rated as 4th most important factor (Annex I Table 2).

While RCs have some authority at the planning and resource allocation levels, their authority at the implementation stage is much more limited. Officials of the MDG Achievement Fund have considerable experience in the funding of joint programmes in many countries. Their experience indicates a mixed experience with the effectiveness of RCs in solving implementation problems.

<u>4. Different Approaches to the Application of the RCS at the Country Level</u>

One of the objectives of this review as included in its TOR is *'to develop an analytical framework that can inform discussions on the relationship between UN Resident Coordinator models at the country level and the respective development context, and consistent with the principles of national ownership and leadership'.* It is evident that a number of different approaches to the application of the RCS at the country level are already in existence. These appear to have evolved through two different processes; 1) the design centrally of certain different approaches and 2) practical evolution in individual countries as the RCS adjusts to circumstances in the country. Seven different approaches have been identified, but there are many variations within some of the approaches. In particular, the DaO model covers a wide range of countries with different development situations and there are many variations in the way the DaO approach has evolved between countries. An eighth approach also exists – the absence of a Resident Coordinator. A very limited number of countries have opted to coordinate the activities of the UN system themselves and have not therefore asked for the appointment of an RC. The seven basic approaches identified are:

1. the standard RCS approach;
2. the Integrated Mission approach;
3. the Resident Coordinator / Humanitarian Coordinator approach;
4. the Joint Office approach;
5. the "Delivering as One" approach;
6. the UNDP representation approach; and
7. the multi-accreditation approach.

a. the standard RCS approach

This approach is the template for the system as a whole. It is the default position for all RC/UNCTs should there be no compelling reason to adopt one of the other approaches. Its basic characteristics are those defined in the guiding relationship documents between the RC and the UNCT (and of course the government). The RC has a leadership role based on consensus achieved within the UNCT. In general, the RC reports to the government on the overall work of the UN, while the individual entities continue to have joint access with the RC to central planning ministries and maintain direct functional working relationships with their partner government ministries. Each entity is expected to acknowledge the leadership role of the RC in the job descriptions of their country representatives as called for in the M&A Framework.

b. the Integrated Mission approach

Integration is the guiding principle for the design and implementation of complex UN operations in post-conflict situations. This is intended to link the different dimensions of peacebuilding (political, development, humanitarian, human rights, rule of law, social and security aspects) into a coherent support strategy.

An integrated mission is based on a common strategic plan and a shared understanding of the priorities and types of programme interventions that need to be undertaken at various stages of the recovery process. Through this integrated process, the UNS seeks to maximize its contribution towards countries emerging from conflict by engaging its different capacities in a coherent and mutually supportive manner in order to ease the transition of the country from conflict to sustainable peace. To achieve this objective, the Secretary-General in his guidance note of June 2008 determined that "all integrated UN presences should have a shared analytical and planning capacity, as well as an integrated strategic framework that should be reflected in and draw on all other UN planning, programming and budget instruments".

There exist two major differences between this model and the standard RCS model. First, the RC is not the senior UN official in the country. This falls to the Special Representative of the Secretary General (SRSG) who has overall authority for all the activities of the UN in the country. The RC normally functions as a Deputy SRSG, with a second Deputy in charge of the peacekeeping operations. In the pursuit of her/his functions, the SRSG is expected to use the existing humanitarian and development coordination mechanisms of the UNCT. The SRSG is also expected to ensure that mission planning and operations management are compatible with long-term national development goals and that mission exit strategies clearly articulate the hand-over of ongoing activities to the UNCT and other relevant actors. In most Integrated Missions, the RC also carries out the function of Humanitarian Coordinator(HC) and Resident Representative (RR) of the UNDP. Thus, the full acronym would DSRSG/RC/HC/RR – a significant pyramiding of functions which is good in terms of coherence but also represents a very heavy workload.

Second, the RC is required to orient planned entity activities in a manner to be consistent with the broad strategic objectives of the Integrated Mission, subject to the entities' mandates and available resources. The DSRSG/RC/HC/RR reports directly to the SRSG. The DSRSG/RC/HC/RR retains additional reporting

lines to the Emergency Relief Coordinator on HC issues, to the UNDG Chair on RC issues and to the UNDP Administrator on RR issues.

Despite the challenges involved in such complex missions, the system seems to work quite well, as stated by one knowledgeable interviewee – "it has produced surprisingly good results". A number of comments were received on why the DSRSG model may lead to more empowered coordination:

1. coordination activities are undertaken within the framework of a Security Council resolution which may provide some measure of additional legitimacy to the coordination function;
2. by virtue of association with the UN Integrated Mission's broader operations, an informal authority often extends beyond the limits of the UN to include other bilateral and multilateral actors. The DSRSG often chairs coordination meetings that have much broader coverage;
3. often the government is of a transitional nature and pending election results may have limited legitimacy and a lesser ability to coordinate development activities itself;
4. while there may be no UNDAF, the UN and the World Bank often collaborate to produce a Poverty Reduction Strategy Paper (or equivalent). This becomes the broader framework for coordination of both the UN and other entities; and
5. the DSRSG often has the added weight of Assistant Secretary-General rank.

As of December 2011, the UN was using the Integrated Mission model in 20 situations, although several of these were considered to be in a state of flux.[13] In 2009, total expenditures in IM countries was $5,398 million, which represented 35.1% of UN country-level expenditures or 24.4% of total UN expenditures. Looking at non-core resources only, expenditures in IM countries represented 38% of country level non-core expenditures and 28.8% of total non-core expenditures.[14]

Since the use of the Integrated Mission Model is clearly limited to countries where UN peacekeeping is involved, this model is not seen as being potentially applicable to other countries. However, some of its success factors may be informative for making coordination more effective in regular development settings.

c. the RC/HC approach

In 31 countries the RC also serves as HC. In the role of HC, the reporting line is to the Emergency Relief Coordinator. A number of interviewees emphasized that in many countries with major humanitarian activities, there was insufficient consideration given to the importance of humanitarian experience in the selection of the RC (see later comments on this). Some also noted that it should become a more accepted practice to split the RC and HC functions as the workload was becoming excessive for one individual. Currently, all HCs are also RCs.

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[13] Burundi, Central African Republic, Chad, Cote d'Ivoire, Democratic Republic of the Congo, Guinea-Bissau, Liberia, Libya, Sierra Leone, Somalia, Sudan, South Sudan, Iraq, Israel/oPt, Lebanon, Afghanistan, Nepal, Timor-Leste, Kosovo and Haiti.

[14] percentages are calculated on the basis of total UN expenditures, not the more limited basis used in Annex B

d. the Joint Office approach

It is important to differentiate between the concepts of "one office" and "joint office". The "One Office" is one of the four pillars of the DaO model and includes such elements as harmonized business processes, common and integrated support services, common premises (where appropriate), and a common security infrastructure. The "joint office" however is characterized most notably by a single representative for the four ExCom entities and the pushing of the "one office" approach to an enhanced level. At present, Cape Verde is the only example of the application of this model.

To a certain extent, the Joint Office model was a precursor to the DaO model. It is perhaps the model (exclusive of the single representative for the four former ExCom entities) that the High Level Panel on System-wide Coherence was looking at when it proposed the DaO model using four pillars. The Cape Verde Joint Office was inaugurated before the work of the High Level Panel and had only three pillars: one programme, one representative and one office.

In a UNDG Executive Committee report to ECOSOC dated 1 July 2005[15], an update on the implementation of the Joint Office model was provided. The rationale for the Joint Office approach was stated as follows: "*In countries where the United Nations system presence is very small, the combined representation, staffing and support costs of the United Nations are often excessive in proportion to their small programme budgets. The joint office model is designed to improve the effectiveness of the United Nations in such countries by rationalizing representation and improving the ratio of programme to support costs".* This rationale would appear of continued relevance today in many of the countries where the UN has smaller programmes.

The document went on to say that the former ExCom entities had agreed to pilot the joint office model in two countries beginning in January 2006. The entities (UNDP, UNICEF, UNFPA and WFP) had agreed that the joint offices would be led by one single representative, representing all four entities, who would at the same time be the UN RC. The four entities would support one single common country programme. The office would have a single organizational structure and use one set of unified or harmonized business processes, rules and regulations, support mechanisms and services. It stated that there has also been some progress in conceptualising other typologies of unified representation, for example, in countries where the UN presence is significantly dominated by one entity which "hosts" the limited presence of other entities.

The report further stated that the aim is to have two joint office pilots by January 2006 and a total of five countries moving towards UNDG ExCom (the four entities) joint representation and common country programmes by the close of 2006. By December 2007 this number was expected to have risen to a total of 10 countries. While the joint office model is currently being planned amongst the ExCom entities, discussion will take place with other UNDG members regarding their participation in future pilots.

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[15] E/2005/CRP.1

This report was the last report to ECOSOC or the UNGA on the Joint Office model. To date, only one Joint Office exists – that of Cape Verde. Two relevant reviews of the Cape Verde experience have been carried out, but the orientation of the two is different. In early 2007, a review entitled "Review of the Cape Verde Pilot Joint Office" was carried out by a private consultant assisted by two UNDG Office (now DOCO) officials. A full evaluation was prepared in September 2010, but this was not specifically an evaluation of the Joint Office concept given its title as a "Country-Led Evaluation of Delivering as One United Nations in Cape Verde".

The following are some of the relevant conclusions from the 2006 review of the Cape Verde Pilot Joint Office:

1. the review noted that it was carried out only one year after the initiation of the Joint Office pilot, which remains a work in progress;
2. in general, change in the Joint Office is not being recognized and accommodated in the agencies;
3. common programming is an integral, essential and viable element of the Joint Office model;
4. the pilot has contributed to important savings in time and money, has facilitated interaction with the government and other donors and has led to increased visibility of the UN in Cape Verde;
5. cost savings are estimated at 26% of the previous year's pre-Joint Office budget;
6. unity should not come at the cost of diversity and good practices of the various agencies should be fully integrated into the new Office's way of doing business. However, due to the lack of an established legal status for the Joint Office, UNDP was appointed as the Support Agency, which meant UNDP systems and processes would apply. The main impact of this decision was 1) national staff had contracts based on UNDP's rules and regulations, and 2) ATLAS – the management information system of UNDP - would be the management information system for the Office. Thus, the objective of building a Joint Office based on the best practices of various entities could not be implemented and tested. The review concluded that the Support Agency model is neither a good nor a sufficient basis on which to found further UN reform and other Joint Offices;
7. the government of Cape Verde has been and is a strong supporter of the process and this is an essential prerequisite for success; and
8. the Joint Office model is a viable model for UN reform, particularly in countries with relatively small programmes (this conclusion appears somewhat in conflict with point 6 above).

Only a limited number of those interviewed for this report were able to offer comments on the Joint Office model and why it had not been pursued as originally intended. A few noted that the experiment had not been well executed – in particular in ensuring the appointment of "deputy heads" capable of effectively supporting the interests of the individual former ExCom agency partners. It was acknowledged by some that the HQ of some ExCom entities objected when they were unable to obtain certain data for their own reporting requirements because the system used (that of UNDP) did not meet all of their requirements. While the interview sample was small, a number of those commenting felt that

the approach deserved a more serious look after resolving outstanding problems and using a more thorough implementation plan.

As indicated earlier, the 2010 report was entitled "Country Led Evaluation of Delivering as One United Nations in Cape Verde". Given its title, not surprisingly the evaluation did not examine in detail the Joint Office model concept but made certain comments relevant to it:

1. the Joint Office model led to significant transaction costs reduction and harmonization of services of the four ExCom Entities (UNDP,UNICEF, UNFPA, & WFP);
2. the Joint Office has not yet focused on further integration and harmonization of business practices, but an important gain is the One Office housing of all UN entities;
3. some confusion has existed between the RC's role as head of the Joint Office and her role as One Leader in the DaO model;
4. the Memorandum of Understanding between the ExCom entities for the Joint Office had not yet been signed, four years after the Joint Office start-up;
5. as the Joint Office approach only exists in Cape Verde, regional and HQ offices of the UN entities continue to demand compliance with individual agency procedures, including reporting and financial requirements. This causes duplications and redundancies especially effecting operations. The evaluation also listed the recommendations of the Dalberg Joint Office assessment of 2009 – one of which was to "design a reporting format for the JO which can simultaneously meet the needs of multiples HQs"; and
6. the Joint Office is the foundation of common services and back-office integration in Cape Verde.

The lack of follow-through on the Joint Office model may well be a result of the subsequent emphasis on piloting the DaO model. However, the DaO approach is of potential relevance to countries of all size, while the Joint Office would likely be an option only for smaller programme countries. In the interviews carried out for this report, the main reasons provided for the lack of follow-up on the Joint Office model were the following:

1. "we lost contact with our representative in the country. She/he no longer identified with us and may not have had a sufficiently broad background to effectively pursue our mandate – particularly our advocacy mandate";
2. "it is simply not possible to develop an entirely new set of business practices that combines the best features of all of the entities. It is a hideously complicated task that has no real chance of success. The cost would be enormous";
3. "the staff of the office ended up belonging to everyone – and in the end belonged to no one"; and
4. "the Cape Verde office became an orphan".

As mentioned above, the Cape Verde Joint Office evaluation concluded that "the Support Agency model is neither a good nor a sufficient basis on which to found further UN reform and other Joint Offices". While agreeing that this might not be the ideal approach, this report questions whether that reservation alone justifies no further use of the Joint Office Model. If it were considered that the Joint Office model

entailed significant savings for the UN system in a broad range of countries with smaller UN programmes, then addressing the question of support systems and harmonized business practices should not prove beyond the capacity of the system.

e. the Delivering as One approach

The idea that the UN system should strive to "deliver as one" is a concept that underpins almost all of the current work of the UN oriented to an enhancement of system-wide coherence. This concept in large measure exists universally within the UNS although with differing levels of practical buy-in between entities, and is implicit in the functioning of the RCs and the UNCTs, as well as in such programming modalities as the CCA, UNDAF, and any common country work plans. For this discussion, the concept of the "Delivering as One Model" is therefore used in a more restricted sense, applying only to those countries who are DaO pilot countries and to countries who are voluntary adopters of the DaO approach.

The DaO model was originally based on four pillars: One Leader, One Programme, One Budgetary Framework and One Office. It is understood that in some pilot countries, the four pillars have been increased to up to six pillars, adding One Voice and splitting the One Budgetary Framework between One Fund and One Budget. The DaO model was intended to help overcome a number of problems identified with UN operations in the field: that the UNS was making a sub-optimal contribution to countries' development objectives; that activities were overly fragmented; and that there was excessive competition for funding between UN entities.

A number of observations about the DaO model arose from the interviews carried out for this report:

1. the DaO approach has generally made the UN system more relevant to the host government and to other stakeholders in the country;
2. the DaO approach has increased host government involvement in and ownership of the activities of the UNS;
3. DaO is improving working relationships between entities within the UNCT and improving team morale;
4. the availability of pooled unearmarked funds (the One Funds) or other MDTFs for allocation at the country-level is considered an important ingredient for success, providing an incentive to entities to participate actively in the process and avoiding some of the restrictions of entities' vertical funding processes;
5. however, the availability of such a pool of funds: tends to attract smaller entities that might not otherwise be considered to have programming interests in the country; some of these entities may have limited capacity to implement effectively their components of joint programmes/projects; and may create expectations in some entities of "entitlement" to a certain share of the funds available from the pool. It is however reported that as the DaO implementation has evolved, new arrangements have been introduced, one of which is the application of performance-based allocation criteria, which among other considerations takes into account entities' capacities to deliver the agreed programme;

6. it is difficult at this point to assess the value-added of the DaO approach in terms of development impact and increased efficiency (see comments on the draft DaO evaluation provided below); and

7. UNCT management challenges do tend to increase significantly as the number of entities involved increases.

Perhaps more important than the interview results, towards the completion of this report an early draft of the DaO Evaluation became available[16]. The provisional main conclusions and lessons learned of this evaluation are included for ease of reference in Annex J. Among the conclusions or lessons learned that have specific relevance here[17] are the following (all references here are to Annex J):

1. the relevance of DaO to the pilot countries has been strong (conclusion 1);

2. the effectiveness of DaO has been moderate (conclusion 2);

3. the efficiency of DaO has been weak (conclusion 3);

4. the likelihood of sustainability of DaO is moderate (conclusion 4);

5. the DaO pilots have shown that the UN system is able to tailor its country level presence to respond to the specific needs and priorities of very different countries (lesson 2);

6. the DaO approach enables Member States to gain enhanced access to the range of expertise and resources of the UN system (lesson 3);

7. The DaO pilots have shown that there are limits to what can be achieved through the existing diverse systems (lesson 4);

8. UNCTs, with the support of RCs, in pilot countries are approaching the limits of what can be achieved in terms of reducing transaction costs and increased efficiency through country level innovations (lesson 9);

9. Only significant systemic change could make country level coordination easier and cheaper (lesson 10);

10. There is currently a lack of clarity and shared vision on the desirable extent of integration (referred to as "inclusiveness" in this report) and how it can best be achieved (lesson 11);

11. Localised solutions have been found to present management challenges at corporate level (lesson 14);

12. The successful application of the concept of working for the system rather than for one agency demonstrated by the role of the MPTF Office for the One Funds offers a model that could be adapted to the broader range of support services that UNDP performs on behalf of the UN system (lesson 18);

13. The current RC system has serious limitations in terms of the RC's ability to coordinate the UN operational activities and ensure financial transparency (lesson 20);

14. Funding is a major driver of organizational change and the One Fund has proved an important incentive for entities to work together (lesson 21);

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[16] draft of April 12, 2012

[17] the wording here has been summarized, so it is important to read the full text as contained in Annex J.

15. The DaO pilot experience has clarified the urgent need for inter-governmental leadership and decision-making to insist more vigorously on further simplification and harmonization of business practices (lesson 22); and

16. Although there is a need for more system-wide coherence at the systemic level, it is important to maintain the principle that individual programme countries should be free to choose the approach to their partnership with the UN system that most suits their national priorities and needs (lesson 23).

In the RC/UNCT survey, when RCs who had prepared an UNDAF in 2010/2011 were asked if they expected that DaO will become the new business model for UN development cooperation at the country level, 54% said yes, 13% said no, while 33% indicated they didn't know. Many respondents added comments to this question:

- ✓ first, many expressed in different words strong support for DaO:
    - o this is the only way forward if the UN wishes to remain relevant;
    - o DaO will have to be tailored to each country:
- ✓ while others, including some who were generally supportive of the DaO model, noted some problems:
    - o I hope so, but greater top down support from specialized agencies will be required;
    - o there are many centrifugal forces which will counteract the benefits of having a unifying UNDAF and intent to deliver as one;
    - o based on concrete results, it is not clear the DaO model was successful;
    - o One UN is not One UN if it depends on special funding; and
    - o it has been a very painful and energy consuming exercise with little benefit to agencies.

f. the UNDP representation approach

At least two UN entities, UNIDO and UN-Habitat have signed MOUs with UNDP to provide for their representation in a number of country offices.

The <u>UNIDO</u>-UNDP Cooperation Agreement was signed by the two agency executive heads in September 2004. The UNIDO Director-General was exploring options for expanding UNIDO'S field representation in order to be more responsive to country needs. The UNDP Administrator was seeking to better capitalize on UNIDO's expertise particularly in Private Sector Development (PSD) and was at the same time seeking to develop an alternative model for inter-agency cooperation using the UNDP country office system as a platform for the provision of technical services by United Nations Organizations.[18]

The Cooperation Agreement highlighted two dimensions of collaboration: 1) joint PSD programmes; and 2) the introduction of a new model of field representation in which UNIDO would establish desks within UNDP country offices. To support the second objective, the UNDP Administrator waived the mandatory

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[18] this discussion relies heavily on the "Joint terminal evaluation of the implementation of the Cooperation Agreement between UNIDO and the UNDP"

cost recovery by UNDP country offices of the local operational costs of the UNIDO desks for two years in fifteen pilot countries, after which the costs were assumed by UNIDO.

The terminal evaluation report noted the major disparity between the size and financial resources of the two cooperating organizations. While the Cooperation Agreement was a very visible and important undertaking for UNIDO, it was relatively much less important to the UNDP. The evaluation found that the Agreement was successful in creating the conditions for an expanded presence of UNIDO at the country level. However, it concluded that the programming objectives of the Agreement lost their relevance in the light of evolving UNDAF practices, the decentralized nature of UNDP programming in comparison to the centralized nature of UNIDO's programming, and other emerging incentives for cooperation such as the MDG Achievement Fund and the evolution of the DaO initiative. The lack of established procedures and clear operational guidance for the implementation of the Agreement at the country led each organization to proceed according to its respective *modus operandi,* thus hindering progress in joint programming and fund raising. One important problem of the arrangement was that the UNIDO desks were unable to access AGRESSO, UNIDO's central information technology tool for process management.

The evaluation made a number of recommendations, two of which are relevant to this report:

1. a system-wide cluster approach involving all relevant UN organizations working on private sector development should replace bilateral agreements, so as to foster coordination, coherence and synergies; and
2. until a system wide approach is developed, an MOU defining operational and administrative arrangements at the country level and including provisions for UNIDO desks should replace the existing Cooperation Agreement.

This report draws several general conclusions from this experience which are relevant to this broader discussion of coordination of UN development activities:

1. the UNIDO objective of enhanced field presence was achieved;
2. reconciling more integrated country level approaches with the vertical business practice systems of individual entities is an important ongoing challenge, and
3. detailed guidelines on the operational and administrative arrangements are necessary to guide country level implementation.

UN-Habitat signed its MOU with UNDP in 2002. It calls for the placing of UN-Habitat country programme managers (HPMs) in selected UN country offices, managed by the RCs. HPMs are expected to play a key role in localizing the activities of UN-Habitat towards the achievement of the MDG slum target, and in particular to facilitate the integration of shelter and urban poverty issues into the UNDAFs and national poverty reduction strategy papers. UN-Habitat believes that the number of HPMs remains modest in comparison to the countries in need of support. It foresees strengthened cooperation with UNDP (while also enhancing the RC system) through an updated MOU that would reflect the new strategic policy orientation arising from the on-going reform of UN-Habitat.

g. the multi-accreditation approach

Some RCs are accredited to more than one (generally smaller) country. The most noteworthy example of this approach is to be found in the Pacific region, where the UNCT in Suva covers ten small island developing states while the UNCT in Apia covers four. In some of these small states, the former ExCom entities have developed Joint Presence Offices led by national officers to improve communications with the governments and to enhance UN visibility. A recent evaluation indicated the approach had considerable potential value, particularly if these offices were to benefit from enhanced authorities.

THE ROLE AND AUTHORITY OF THE RC AND INTERACTION WITH THE UNCT

The position of RC, distinct from that of UNDP Resident Representative, was created in 1981. While a UNDP Resident Representative would be appointed by the UNDP, the RC would be appointed by the Secretary General in his capacity as Chair of the CEB. As noted in the M&A Review, "they were, however, the same person and would be paid and administered by UNDP. The inherent ambiguity of the position was clear from the beginning."

In the High Level Panel Report "Delivering as One", an important guiding objective was to overcome the UN system's fragmentation and deliver as one through a stronger commitment to working together on the implementation of one strategy in the pursuit of common goals. To this end, the report called for RCs to have the authority to lead the One Country Programme. This would require in addition to formal authority that RCs have the appropriate competencies, capabilities and support capacities. While there is considerable evidence that the system has made progress in developing a pool of RC candidates with the appropriate competencies and capabilities, the support capacities for the RC are still considered insufficient despite some strengthening. There has been some progress on the question of the RC's authority, within carefully circumscribed limits dictated by the independence of all UN entities.

Two documents underpin the functioning of the RC: the RC Job Description and the UNDG "Guidance note on RC and UNCT working relations" (Guidance Note). Both documents emphasize that while the RCS is managed by the UNDP, it functions on behalf of and is accountable to the UNS overall.

The job description outlines a four part <u>long-term</u> vision for the RC as an official who:

1. has an equal relationship with and responsibility to all UNCT member entities;
2. has all the leadership qualities required to be an excellent team leader who can represent the whole UN development system effectively;
3. is empowered <u>by clear recognition from each agency</u> of her/his role in strategically positioning the UN in each country (underlining added); and
4. is supported as required with access to entities' technical resources <u>as agreed with the entities Representatives balancing available resources with the with tasks to be performed </u>(underlining added).

The two underlined sections of points 3 and 4 reflect two important qualifications on the UNGA's wish (60/1) for a "strengthened role for the senior resident official". <u>First</u> it must be noted that the RC has no

blanket authority over the working of the UNCT. The RC is empowered only to the extent agreed by each agency at the country level and even then only for matters relating to the "strategic positioning" of the UNS in the country and for the allocation of pooled funds if consensus cannot be achieved in the UNCT. The modality for the granting of this authority to the RC by the entities is by the express recognition of the RC's role in the job descriptions of the entities' UNCT representatives. The M&A Review noted that only fifty percent of UN entities have revised job descriptions (and appraisal processes) for their representatives at the country level to reflect the role of the RC. The survey of UNCT members that was part of the M&A Review found that only 15% of the respondents confirmed that their job descriptions had been modified accordingly. However, it must also be recognized that a number of entities have made very significant progress on implementing the M&A Framework and that the M&A System implementation process is still in the process of implementation and is being carefully monitored and managed by a UNDG working group.

Second, the access of the RC to the technical resources of the entities is heavily circumscribed: first, by the required approval of the agency's representative on the UNCT and second, by the "balancing (of) available resources with the tasks to be performed". Many RCs report that they have limited access to the resources of many entities. As the RC has no authority to carry out her/his UNS functions except those that are granted by the members of the UNCT (and their entities), as noted in the M&A Review and confirmed in the interviews and survey results for this report, the success of the RC is therefore almost totally based on the individual's personal skills of leadership and persuasion.

In the most recent version of the RC job description, one additional authority on funding decisions has been added: the RC "leads the UNCT in strategic development of the UNDAF and specifically takes the final decision on strategic focus and allocation of resources against that focus if consensus cannot be reached within the UNCT".

The RC job description further states that "all representatives of UNS organizations at the country level report to the RC on matters related to the working of the UNCT and implementation of the jointly agreed UNCT work programme derived from the UNDAF and/or the equivalent post-crisis development plan".

The job description outlines six major "functions/key results expected" of the RC:

1. ensures effective support at the request of Government in its coordination of all types of external development assistance (including from the UNS), within the context of national development plans, UNDAFs and/or other available poverty reduction frameworks;
2. ensures coordination of UNS operational activities for development, creates a platform for coordinated delivery and promotes efforts to develop national capacities;
3. ensures effective advocacy of UNS values, standards, principles and activities on behalf of the UNCT with the highest level of Government;
4. as DO (Designated Official for security matters), ensures effective coordination of country-level security and the safety of all UN staff and dependants, and leads the inter-agency Security Management Team (note: in this function the RC does exercise clearly defined authorities);

5. encourages and supports national efforts in disaster risk reduction; and
6. if international humanitarian assistance is required and a separate HC position is not established (currently all HCs are also RCs), leads and coordinates the response efforts of the UN country team members and relevant humanitarian actors.

Since the RC job description is based in part on the "Guidance note on RC and UNCT working relations", the same principles are outlined in the latter document. The Guidance Note includes a general statement of accountabilities for both the RC and the UNCT members.

For the RC:

- the RC is accountable to report on collectively agreed UNCT work plan results to Government;
- to achieve agreed RC results from the UNCT work plan; and
- to implement the guidance note on working relations.

For the UNCT members:

- UNCT members are accountable to the UNCT/RC on UNCT results where they have been agreed to lead the team;
- to implement this agreement (the Guidance Note); and
- for their own agency results.

As the basis for accountability, the Guidance Note states that UNCT members will:

- plan annual key results as a UNCT and as individuals and agree on results for the RC;
- participate in 180 degree assessments;
- report on results in appraisal forms in reviewing their own progress and for appraisal of the RC; and
- support each other and the team in improving competencies identified in the 180 degree assessments and appraisals of the RC and UNCT by the RDT/RMT.[19]

The Guidance Note states that "all UNCT members have direct-line accountability to their own organization, as well as collegial accountability to the RC and rest of the UNCT for producing results under the UNDAF, recognizing that a well-functioning UNCT allows each organization to be more effective than acting alone".

On the subject of contact with the Government, the Guidance Note states that:

1. the RC is the primary interlocutor for the UNCT with the Head of State or Government in support of the UNCT, its members and its UNDAF results, accompanied by agency representatives when agency specific matters are discussed;

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[19] RMT = Regional Managers Team, which include Regional Directors and relevant senior managers with direct supervisory responsibilities for agency engagement at the country level.

2. the Government's prerogative to call on individual agency representatives is not affected, and agency Representatives retain the possibility to have direct access to Heads of State / Government and all appropriate central and line ministries and entities on matters within their mandate.

On the subject of Non-Resident Entities (NRAs), the Guidance Note states that:

1. the RC and the UNCT should ensure inclusive measures to work closely with NRAs, to be fully informed of the mandate, priorities and requirements of the agency and promote active partnerships in meeting national priorities, according to the country context;
2. NRAs will take necessary measures to engage with the RC and UNCT, ensuring that they have the requisite level of technical staff at headquarters/regional/sub-regional level as appropriate to support the work of the UNCT when called upon, and are in dialogue with the UNCT about country visits; and
3. the UNCT should ensure regular communications with all active NRAs, through both electronic means and face to face, as appropriate.

The Guidance Note is of course just that – a guidance note. In and of itself, it does not confer authorities on any party. Ultimately, its guidance must be worked into a country level UNCT agreement or into daily working practices that take into account both the Guidance Note and other considerations.

In the interviews carried out for this report, a number of comments were made on the general functioning of the UNCTs:

1. several emphasized the difficulty in holding the UNCT accountable for results. Lines of accountability are vertical, to the country team member's home entity with relatively little importance being placed in performance appraisals on the broader functioning of the UNCT;
2. Results Based Management systems vary greatly between entities, making it very difficult to define and measure "team results";
3. the addition of a horizontal element in the working of the UNCT to the unchanged vertical elements that link team members' to their home entities has significantly increased the workload for most team members, with some seeing these workloads now as "clearly excessive";
4. several noted that there was little justification for some of the smaller entities to continue to maintain their historical country representation models in MICs, because these are expensive and could effectively be replaced by more efficient and effective regional structures or other mechanisms such as web-based portals; and
5. several emphasized the importance of recognizing that while the RC had certain (albeit limited) authorities at the planning process, implementation was largely in the hands of individual entities over which the RC had even more limited authority.

Much is expected of the RC both in general terms as the main proponent of a coherent UN at the country level and also in terms of his/her formal accountabilities. The RC's authority however is very

limited. This raises the question of whether the actions to date meet the general intent of the General Assembly to enhance the responsibility and authority of the resident coordinators (Annex A point 15).

To help answer this question, reference is made to some of the survey results. When asked what measures would enhance the coherence of the UN at the country level in the future, over 80% of respondents supported giving the RC a stronger coordination role (Annex H Table 7). In comparison to other factors to enhance coherence, the RCs indicated a stronger coordination role as one of the more important factors, but it was considered less important when all responses are considered (Annex H Table 6).

When country programme government respondents were asked what future measures would reduce the workload on national partners, the factor "consolidate its country presence under a single head who is accountable for all assistance " was rated as very important (60%) or somewhat important (25%) by 85% of respondents (Annex I Table 2).

These results would indicate that there is considerable support from both programme country governments and UN system field staff for further enhancing the role of the RC.

Issues that impact on the Resident Coordinator System

1. The parallel objectives of coherence and inclusiveness

The challenge of achieving coherence in the governing and functioning of the UN's operational activities has been a central issue for at least fifty years. The solution to the challenge was seen to be the establishment of the UNDP in 1966, wherein that agency would assume a central role for the funding of most if not all operational activities for all UN entities (with the exception of the other major funds and programmes) and where the efforts of the overall system would come together under the individual UNDP country programmes. At the outset, the expectation was that the implementation of most UNDP funded activities would be carried out by the UN's specialized agencies. Coherence would theoretically be achieved through the overall coherence of the UNDP country programme.

Although the central–funding model never worked exactly as intended, when UNDP relinquished this role both coordination and funding gaps materialized. Some of the smaller disbursing entities which had relied primarily on UNDP for their technical cooperation funding have subsequently had to embark on their own fund-raising activities to support their own operational activities plans and some have also developed their own agency-specific country programmes. This expansion in both programming documents and funding mechanisms has created an escalating coherence challenge for the UN's operational activities. Today's efforts for coherence focus not just on the smaller entities, but on closer links between the major disbursing entities as well.

Three levels of coherence need to be considered when looking at the UN's development activities:
1. the coherence of total ODA flows with the government's development priorities;
2. the coherence of the UN's activities with those of other ODA partners; and
3. the coherence of each individual entity's activities with those of the UN as a whole.

The UN Secretary-General in his 2005 report *In Larger Freedom* (A/59/2005 - paragraph 197) stated the following:

1. *"Part of the problem is clearly related to the structural constraints we face. In the medium and longer term, we will need to consider much more radical reforms to address these. Such reforms could include grouping the various entities, funds and programmes into tightly managed entities, dealing respectively with development, the environment and humanitarian action. And this regrouping might involve eliminating or merging those funds, programmes and entities which have complementary or overlapping mandates and expertise."*

2. *The problem referred to at the outset of the above paragraph was defined as being that "the United Nations system as a whole is still not delivering services in the coherent, effective way that the world's citizens need and deserve".*

While *In larger freedom* alluded briefly to the idea of "three tightly managed entities" for the developmental, humanitarian and environmental activities of the UN system, it then basically set aside this option by indicating a preference to focus on *"more immediate actions that we can and should take now"*. Amongst the "more immediate actions" contemplated were a series of limited but potentially high impact initiatives, four of which remain relevant to this report:

1. to provide the senior UN official in any given country the authority and resources necessary to manage and to allow the UN to function as one integrated entity;
2. to properly resource and empower the resident coordinators;
3. to use the UNDAF as the statement of the UN's strategic objectives and to position the role to be played by each UN agency operating in the country; and
4. to use the UNDAF results matrix to monitor and assess UN performance at the country level and to hold its representatives accountable.

In the transmittal letter of the Co-Chairs of the High Level Panel on System-wide Coherence, the following statements were made:

A more united System will 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 will strengthen the voice and action of the UN in development, humanitarian assistance and the environment. A repositioned UN – delivering as one – will be much more than the sum of its parts.

The UN system structure is largely built along sectoral lines. Historic attempts to realign the system have generally proven unsuccessful due to Member States general desire to preserve the independent often long-standing structures of these organizations to pursue goals within certain sectoral limits. By and large, the UN system is not structured, nor is it intended to be structured, to achieve internal UN-system coherence. It has evolved through a set of sequential steps designed to perform a series of highly specific tasks where global cooperation is important. The net result is that UN system institution restructuring has essentially been considered to be unachievable for a wide variety of political, legal, governance and other considerations. Similarly, funding flows are heavily determined by either the vertical silos of each entity or by the conditions imposed on non-core funding by donors. Country level coherence activities must therefore overcome the obstacles of working within a broader system, the main characteristics of which are fundamentally not coherent.

The concept of 'inclusiveness' can make the coherence objective even more challenging – even if in principle the two objectives are not mutually inconsistent. Six characteristics of the UN system present special challenges:

1. the very large number of UN entities involved;
2. the great disparity in size (in operational activities terms) between the various entities;
3. the reality of competition, sometimes severe, for the non-core resources on which the system overall so heavily depends[20];
4. the lack of centrally agreed defined mandates for all entities which does result in some overlap of areas of expertise;
5. the tendency for entities to expand their mandates in order to attract voluntary funds; and
6. the "collegial" nature of the system's management processes – collegial meaning in practice "by consensus".

Various guidelines provided for the roles played by both the RCs and UNCTs underline the importance of seeking inclusion of all entities, including those who are non-resident. This drive to inclusiveness has also been reflected at the HQ level, particularly in the UNDG where, as explained earlier, an initial approach driven by four major entities (UNDP, UNICEF, WFP and UNFPA – that today represent about 70% of operational activities expenditures) has evolved into an 'all-inclusive' approach whereby 32 entities are included.

The SG's 2011 funding report (for 2009) lists 36 separate UN entities (32 being UNDG members) as having funded some level of operational activities in that year. Annex B Table 2 of this document illustrates that seven entities account for about 90% of total expenditures, leaving 29 entities to represent about 10% of total expenditures. Two of the entities with high levels of expenditure are largely humanitarian in nature (WFP and UNHCR) while about 25% of UNICEF's expenditures are also humanitarian in nature. Of the 36 disbursing entities, the number that can be meaningful players in terms of programmable financial resources for development is quite limited. This is reflected in the SG's 2011 funding report where it was noted that only 6% of the UNS' total of 1,779 funding relationships (one entity spending in one country = one relationship) were considered "significant" in financial terms - significant being defined as the spending entity being among the larger contributors that together account for 80% of total ODA at the country level. Across the universe of the 132 countries that are the basis for Annex B calculations, the top five disbursing UN entities in each country account for an average of 90% of UN spending.

Annex B Table 15 looks at the issue of entities represented and average/per entity expenditures for a variety of arbitrarily selected total disbursement levels for the 29 entities with "smaller" levels of disbursement. Extrapolating the results of Table 15, it can be seen that in about 85% of countries, the combined expenditures of all 29 of these smaller disbursing entities is less than $20 million, with an average/per disbursing entity expenditure of approximately $1 million. The characteristic of almost all common programming exercises is therefore one that sees a few UN entities representing a large

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[20] in the RC/UNCT survey, 78.6% of respondents said that competition for donor funding for projects in their countries existed, while 21.4% said it did not exist.

percentage of total UNS expenditures, while a larger number of smaller entities represent a small percentage of total UNS expenditures. Since the costs (staff time and expenditures for coordination activities) are reported as growing as the number of entities included expands, the question is raised if the net benefit in overall coherence terms of including so many entities with small levels of expenditure is appropriate given the added costs involved. Perhaps not surprisingly, views on this differ between representatives of larger disbursing agencies and those of smaller disbursing agencies.

Finally, a few additional comments from those interviewed are relevant to this section of the report:

1. smaller disbursing entities are sometimes not particularly relevant to the common programming processes of the UNCT and should participate only where there is a clear programme-linked requirement for them to do so;
2. a number of the representatives of larger disbursing entities felt that the main coordination benefits were to be found by the larger disbursing entities working more closely together, with the net added-value of working with the smaller disbursing entities being quite limited;
3. those smaller entities opting to participate fully in the work of the UNCT should sign an MOU respecting the principles of the M&A framework as the basis for their participation and should make a financial contribution to the coordination costs of the UNCT; and
4. the principle of consensus decision-making should be modified to ensure that the smaller disbursing entities who will in most cases outnumber the larger disbursing entities cannot unreasonably block coherence efforts between the larger disbursing entities. (However, a number of RCs interviewed downplayed this problem. They noted that most UNCTs were now characterized by a variety of different organizational structure which largely delegated decision-making to sub-groups, meaning that few decisions now required consensus in the full UNCT. While consensus was still the decision-making approach, the number of participants in the sub-groups was often much smaller.)

With respect to non-resident agencies, the RC/UNCT survey showed that 78.2% of all respondents felt that greater efforts should be made to included NRAs in the activities of the UNCT, while 18.6% disagreed and 3.2% did not know. In general, this would indicate a quite strong belief that greater efforts should be made to include NRAs in the activities of the UNCT.

In summary, coherence and inclusiveness are important objectives for the UN operational activities system. Most argue that the two objectives are mutually reinforcing and coherence does not demand lessening inclusiveness. But the costs of achieving these objectives must also be taken into account. Most would agree that inclusiveness cannot be applied dogmatically. It is costly for smaller entities to participate in time consuming processes such as UNDAF formulations if there is little incentive for them to do so and if their contribution is also likely to be limited in terms of enhanced impact. Larger disbursing entities sometimes see little added-value in pushing towards full inclusiveness. Even if not included in all UNCT activities, smaller disbursing entities still have valid contributions to make if allowed and supported to operate along their more traditional lines. This report therefore believes that a practical approach needs to be taken to the application of the inclusiveness principle at the country level:

1. the government should decide which entities are to participate in the UNDAF, based on a recommendation from the RC after consultation with the UNCT;
2. it is perfectly legitimate for smaller disbursing entities to continue their activities outside of the UNDAF and to be supported as possible by the RC and the UNCT; provided
3. the RC is kept informed and that their activities are not inconsistent with the wishes of the government and do not work against the broader strategy of the UNCT.

2. The costs and benefits of coordination

Costs

The Secretary-General, in his 2011 funding report (A/66/79), provided some basic estimates of the costs of coordination for the system. The report underlined certain difficulties in arriving at the general estimate that coordination costs represented about 3% of country programmable resources in 2009. In particular, while generally good data was available from the UNDP because of its leading role as manager of the RCS, certain assumptions had to be made to estimate the costs of other entities.

The burden placed on UNDP as primary funder of the RCS is significant. UNDP'S work studies show that 27% of the time of their core-funded staff is devoted to coordination, while the figure for non-core funded staff is 23%. The Resource Plan in the 2012/2013 UNDP Institutional Budget (DP/2011/34) indicates planned expenditures of $171.5 million on development coordination activities. This represents approximately 8% of UNDP's expected total core contributions of $2,150 million for the biennium. This is a significant figure for UNDP, even if it may not detract from the conclusion of the SG's report that "the costs of coordinating the United Nations development system remain modest compared with the total value of country programmable resources" for all UN entities.

DOCO's annual reports provide a complete view of the financing available centrally[21] for support to the RCS other than the direct costs of the RCs that are paid by the UNDP. DOCO's funding support comes from the UNDP through the SRC Fund and from a number of donors (about ten – the number and composition varying somewhat from year to year) through the Country Coordination Fund. In addition, a number of the donors that provide funds to the Country Coordination Fund also provide assistance directly to individual country teams. In 2011 the funds channeled through the SRC Fund (UNDP) declined from $17.1 million in 2010 to $13.5 million – a reduction of $3.6 million or 21% from the 2010 level. In 2011 the funds channeled through the Country Coordination Fund (donors) declined from $24.5 million to $17.8 million – a reduction of $6.7 million or 27% from the 2010 level. Total contributions received for 2011 were $31.3 million, down from $41.6 million in 2010 for an overall reduction of 25%.

For 2012, DOCO has proposed financial requirements of $35 million, which would represent an increase of about 12% over the realized level for 2011. Given a reduction of 2012 UNDP financing from $13.5 million in 2011 to a planned $12.9 million in 2012, full financing of the plan would require an increase of

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[21] in addition to centrally provided resources, UNCTs must generally mobilize additional resources for coordination at the country level. These generally come from the major disbursing entities and in some cases are supplemented by donor contributions.

total donor contributions from $17.8 million in 2011 to $22.1 million in 2012 – representing an increase of 24%.

While a two year comparison may not be indicative of possible longer term trends, these reductions are consistent with comments received during the interviews for this report that both donor and programme countries were increasingly concerned about the costs of coordination, which in the end affect the level of funding available for programmes. One interviewee noted that the EU has recently decided to lighten its coordination activities, preferring now to concentrate coordination funding on its largest programme countries.

In 2011 the main expenditure items for DOCO support to the RCS were as follows:

- $16.2 million (44%) for coordination support to the RCs;
- $10.5 million (28%) for post-crisis and countries in transition ($9.7 million) and for support to countries rolling out their UNDAFs ($0.8 million);
- $0.6 million (2%) to regional UNDG teams in support of regional needs and capacity;
- $8.2 million (22%) for global support to countries (technical support to countries, UN System Staff College, workshops and support missions); and
- $1.6 million (4%) for administration.

DOCO's 2011 financial overview reported the following major expenditure lines:

DOCO 2011 Expenditure Overview		
in '000s US $		
	$	% of total
Global Support to Countries	$8,155	21.9%
Direct Allocations to RCs/Regional UNDG Teams	$27,356	73.6%
Administrative	$1,644	4.4%
Total	$37,155	100.0%

The second line of the above table breaks down as follows:

Direct Allocations to RCs/Regional UNDG Teams		
in '000s US $		
	$	% of total
Regular support to RCs	$16,260	59.4%
Support to Regional UNDG Teams	$558	2.0%
Support to UNDAF countries	$852	3.1%
Support to Capacity Gap & transition countries	$9,686	35.4%
Total	$27,356	100.0%

While no detailed breakdown of the first line of the first table above (Global Support to Countries) was provided, expenditures for this line are understood to include technical support to countries, work carried out by DOCO and the UN System Staff College, workshops and support missions. Work to continue to strengthen the selection, recruitment and capacity development of RCs and UNCT members is understood to represent a significant portion of these expenditures.

In 2011, the UNDG agreed to systematically cost-share the funding of the DOCO secretariat. The major funds and programmes have consistently provided executive level staff to DOCO without reimbursement. The former ExCom entities have continued their funding through the new structure and have been joined by OHCHR, UNIDO and UN Women following the decision of the UNDG Advisory Group. The M&A Review found that at the country level, 70% of entities provide some resources to RC offices. However, fewer than half of these organizations provide financial resources in contrast to in-kind contributions.

UNDG, at the request of both the GA (in the 2007 TCPR resolution A/62/208) and ECOSOC is currently examining existing funding modalities in support of the RCS, with a particular emphasis on achieving better cost-sharing arrangements among relevant UN entities. The UNDG will present the outcome of the review to the ECOSOC session in July 2012.

Points raised in the interviews related to costs and funding included the following:

1. representatives of some specialized agencies expressed concern that few resources flow through to the specialized agencies to help defray their coordination costs; and
2. the RC system entails costs that some smaller entities consider significant, costs arising from the proposing and processing of RC candidates, including the induction and training costs for successful and appointed candidates.

In the RC/UNCT Survey, all respondents when asked what factors had most contributed to the UN becoming more coherent over the past four years, ranked "an adequately resourced UN RC's office" as the 6th most important factor out of 16. The RCs felt it was more important, ranking it as 3rd most important. The survey of programme country representatives did not ask a comparable question.

The issue of funding for coordination support services at the country level is a critical one. Currently, leaving aside the support provided by DOCO, no global system applies. While the issue should await the outcome of the current UNDG review, this report suggests that any evolving global system might be based on the following principles:

1. the system developed should be a global system applicable to all countries (and therefore the system must be developed centrally and be endorsed by the UNDG);
2. the global system should be applied at the individual country level; and
3. the system should be based on some equitable formula which allocates coordination costs to each entity.

Benefits

If a general estimate of the costs of coordination can be made, it has proven quite difficult to reach substantiated conclusions based on hard data on the benefits achieved for these expenditures. As stated in the SG's funding report, the main benefits achieved, enhanced development effectiveness and greater efficiency in operations, "are quite difficult to monetize and in many instances it may not be cost-effective to do so".

The SG's report notes positively that UNDAF evaluations, mid-term reviews and other reports have pointed to a wide variety of country-level positive results, including "stronger national ownership; reduced duplication; especially visible results in certain cross-cutting areas such as HIV/AIDS, the Millennium Development Goals and transition from relief to development; and reduced transaction costs as the result of joint operational activities". Interviewees also reported improved morale in the UNCT; better results through the UNDAF; somewhat reduced costs for the host government; better alignment with the government's priorities; and more generally – a more coherent UN presence. These are all important accomplishments.

The surveys carried out for the QCPR preparations generally sustain the SG's comments on the benefits of enhanced coordination as reflected in the tables of Annex H, in particular:

- ✓ Table 1 – coherence today compared to four years ago;
- ✓ Table 2 – factors in improved coherence;
- ✓ Table 5 – better linkage to country priorities; and
- ✓ Table 10 – measures to reduce the burden on governments.

Many respondents offered comments on the issues of coherence. One respondent noted that there is a "new generation of UNCT members, more committed to UN Reform and working together". On the other hand, a respondent in a country with a large common UN fund observed that "the situation has become competitive rather than complementary".

Similarly, the survey of Programme Country Governments also indicates that 84% believe the UN to be more relevant to their country's development needs than four years ago (Annex I – Table 1).

The DaO Evaluation of pilot countries concluded that "the effectiveness of DaO has been moderate". This assessment must however take into account the context of the evaluation of this issue, where it is noted that "the effectiveness of DaO therefore related primarily to the contribution made by DaO to the delivery of better support to the countries and to development processes and results, including on cross-cutting issues" (underling added).

On the less positive side, the SG's report notes that UN "entities continue to provide incentives for staff to prioritize their own (underlining added) programming and reporting, including through results-based management and reporting systems established by the respective governing bodies. Thus, the accountability of the United Nations system as a whole for the delivery of system-wide results at the country level remains weak. Progress in promoting system-wide coherence at the country level … often seems to depend more on the personal commitment of key individuals rather than specific agency policies".

Other reports reflect the difficulty of assessing the value-added <u>to development objectives</u> of the UN's effort to enhance coherence at the country level. Comparative base-line data often does not exist for the periods prior to adoption of the "more-coherent" new strategies. Most evaluations focus on the results achieved, but do not address the value-added of the more-coherent strategies as opposed to traditional operating methodologies - admittedly a difficult task. The net result is that to date, the benefits of the enhanced coherence approaches have proven not to be quantifiable.

Despite these problems of quantification, reports are sufficiently consistent across many interviews and surveys to conclude legitimately that the new focus on coherence is positively impacting on effectiveness and has a number of other positive results.

<u>3. The evolving pattern of operational activities funding</u>

Annex D provides a more in-depth discussion of the impact of the evolving pattern of operational activities funding on the operations of the RCS. Funding patterns do have a major impact based on two basic factors that work against coherence: 1) the vertical funding pipeline of each individual entity for its core programmable resources where allocations and uses are essentially set by the governing boards, and 2) the steady and continuing increase in the percentage of total resources provided as non-core resources by donors.

Between 1994 and 2009, growth of core funding grew in real terms by only 2% for the entire period, while the comparable figure for non-core resources was 350%. Non-core funding is highly fragmented, with 88% (in 2009) being single donor and earmarked to specific project/programme activities. Only 12% was provided to pooled funding arrangements such as thematic funds, MDTFs, and One UN Funds.

For the UN entities reporting country-level expenditures, some 1,779 relationships (one entity spending in one country = one relationship) existed with 148 countries – for an average of 12 relationships per country. Only 6% of these relationships were considered "significant" <u>in financial terms</u>, significant being defined as the spending entity being among the larger contributors that together account for 80% of total ODA at the country level.

Although perhaps not the most preferred type of funding, non-core funding is still critically important to the UN system. Even highly earmarked funding is generally applied to some UN strategic priority at the country level. In the RC/UNCT survey, respondents were asked if non-core funds "are less relevant to the <u>country's needs and priorities</u>". 75.7% of respondents stated that non-core funds were not less relevant to the country's needs and priorities – or phrased positively – 75.7% believed that non-core funds were as relevant as core funds to the country's needs and priorities. RCs believed this even more strongly than all respondents, with 87.7% of RC respondents basically saying that non-core funds were as relevant to the country's needs and priorities.

A second question asked in the RC/UNCT survey was if the growth in non-core resources "has lessened the UN's ability to strategically plan its support". 51.7% of respondents supported this statement - with the response for the RCs along being almost identical.

Thus, at the risk of generalization, UN field staff appear less concerned about their ability to programme non-core funds to meet a country's needs and priorities with non-core funding than they are with the ability of the UN system to strategically plan its support with such a heavy reliance on non-core funds. Intuitively this response appears correct, since the allocation criteria at the country level for non-core funds are relatively flexible as long as defined needs and priorities are being addressed. At the HQ level however, allocation criteria are more complex and less flexible.

One of the intriguing questions surrounding current funding patterns is the extent to which resources currently contributed as non-core resources might, under the right circumstances, be converted to core resources globally or to funding pools (like the One Funds or other MDTFs) at the country level. Why this may be difficult to achieve is discussed in detail in Annex D.

For the purposes of this report, a legitimate question to ask is if _donor funding patterns would change significantly if the UNS is truly successful in building a very coherent set of field operations through some optimal level of coordination at the country level?_ Overall, the UNS was very successful in mobilizing resources for operational activities for the period 1994-2009, although the quality of resources[22] mobilized did deteriorate since growth was almost exclusively in the form of non-core resources.[23] Despite these qualifications, the UNS is nevertheless the largest multilateral partner for the OECD/DAC donors and the UN share of total ODA increased modestly during the 1994/2009 period.

The considerable success of the UNS in mobilizing non-core resources for operational activities indicates that the system generally has attractive attributes for funding organizations – both bilateral donors and other multilateral entities. Nevertheless, non-core resources tend to lead to greater fragmentation of the overall UN effort and in many entities the implementation costs for non-core resources are subsidized by core resources – in some cases heavily subsidized. Such subsidization reduces the pool of resources available for use according to the allocation policies of the individual governing boards.

Given that most UN operational activities funding growth has been in non-core rather than core resources, overall resource growth appears to be based mainly on the UN system's diversity, flexibility and ability to operate in situations where bilateral donors cannot or do not wish to operate. Resource mobilization success (in terms of total amounts) is based on the UN system's ability to meet country needs that fall within the mandates of one or more UN entities while at the same time allowing donors to target spending to meet a variety of domestic policy considerations. The UNS has done a good job of

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[22] "quality of resources" is an elusive concept. All entities claim that core resources are the bedrock of their activities and place considerable emphasis on the importance of their growth. There are a variety of quite legitimate reasons for this position and the shortage of core funding is clearly a critical issue for some entities. However, the RC/UNCT survey results discussed above indicate non-core may not pose the same problems at the country level.

[23] Overall expenditure patterns can be somewhat different for non-core than for core. In 2009 for example, four countries (Afghanistan, Iraq, Sudan and DR Congo) accounted for 21.1% of UN country-level expenditures and 14.7% of total UN expenditures. Looking at just non-core expenditures, these four countries represented 24.9% of non-core expenditures at the country level and 18.9% of total non-core expenditures.

putting in place field delivery capacity that the donors can use to deliver their programmes while still meeting the priority needs of the programme countries.

The question to be posed based on the changing funding pattern for UN operational activities is whether the coherence of UN activities is a major factor in attracting donor resources. Other considerations, such as those outlined in the above paragraph, may be more critical.

4. Contradictions in behaviour

No individual or organization lives without reconciling contradictions in interests or policies. Annex D discusses contradictions in the actions of donors towards the UN's operational activities. While calling for coherence, most donors provide their non-core resources through channels that avoid the central governance allocation processes which work to this end.

The current reality that governs much of the operational activities of the UN system is that the UN entities compete for funding and the donors choose those in whom they have the greatest confidence to deliver activities related to their own policy objectives. This competitive model may well continue to be viable in terms of the total resources mobilized, but it has some negative consequences. 80% of respondents to the RC/UNCT survey saw entities competing with each other for donor funding. 90% of the respondents who reported that competition for resources existed judged the competition to be unhealthy. One respondent referred to "vicious competition" that leads to "serious mandate creep". While pooled funds have somewhat reduced competition for funding, they have in some cases also engendered a new form of internal competition for access to the pooled funding.

To summarize the Annex D discussion on donor contradictions, the current reality is that donors, programme countries and UN entities have essentially created a competitive implementing agency model characterized by non-core funding for much of the system's operational activities. The negative implications of non-core can however be considerably mitigated by its alignment with needs and priorities at the country level. What is unlikely is that there will be any significant reversal of current core/non-core ratios given the targeted nature of much of this funding in the donors' aid budget structures. This growth of non-core must therefore be placed into the context of the very considerable success of the UN system in mobilizing these targeted types of donor resource flows.

Contradictions can also be found in the policies of many programme countries. While governance decisions often stress the importance of coherence and inclusiveness, some programme countries are not averse to competition between entities. Some argue that this allows them to better align what they get from the UNS with their national development priorities. Some are also lukewarm to any idea of an empowered RC on the basis that coordination is best carried out by the government. The principle of national leadership is embedded in the UNS. If programme country governments wish to have an empowered "senior UN official" in their country, it should be within their individual abilities to achieve this.

Finally, discussions held with many representatives of UN entities for the preparation of this report indicate that most, despite formal policy pronouncements, exhibit little enthusiasm for any additional measures that might lead to a more empowered RC working with the interests of the overall UNS at heart. Certainly they are bound by their own vertical funding mechanisms and by the policies adopted by their governing boards. Even accepting these restraints however, many show little enthusiasm for any change that might encroach on their traditional prerogatives. The interviews carried out for this report consistently underlined a lack of agency HQ enthusiasm for measures that would require an

agency's country representative to put the interests of the UN system ahead of that of the agency. The incentive system for agency country representatives just does not function that way.

Despite the admittedly debateable nature of some of these observations, it is evident that all of the main stakeholders of the RCS exhibit contradictions in behavior that work against achieving greater operational coherence. What we say is often not what we do. Two succinct opinions expressed by individuals committed to and working for greater UNS coherence are provided here for reflection:

1. "the forces working against coherence are much more powerful than the forces working for coherence"; and
2. "we are trying to coordinate people who do not want and have little motivation to be coordinated".

It is important to underline that due to the extraordinary commitment of some RCs and some UNCT members, there are encouraging signs of greater coherence being achieved as the result of better coordinated efforts. The question is whether or not continuing these efforts <u>universally</u> given existing funding pressures is still at a suitable point on the cost / benefit curve. There is no easy answer to this question other than to suggest that the payoff in some countries for funds invested in coordination will likely be higher than in others. The companion study on *The relevance, effectiveness and efficiency of the UNDAF* suggests that the conditions that will determine success will vary greatly between programme countries. This would tend to indicate that answering this question may be best done at the country level.

<u>5. Expenditure analysis for UNS operational activities</u>

Reviewing expenditure patterns can provide useful insight into a number of the issues raised in this report, while recognizing that expenditure levels are only one of a number of important considerations that impact on the functioning of the RCS. In addition to the comprehensive data and analysis provided in the Secretary-General's annual funding reports on operational activities, Annex B contains a number of tables that look at different patterns of expenditure for UN operational activities. The numbers used in Annex B start with the base country expenditure data as contained in Table B-3 of the Secretary General's *Analysis of the funding of operational activities for development of the United Nations system for 2009 (A/66/79)*.

To allow a better focus on the question of country level coordination, considerable information has been deleted that is contained in Table B-3 of A/66/79, however none of the data retained have been modified. The assumptions that guided the preparation of the tables contained in Annex B are clearly outlined on its first page.

The net result of the deletion of some data is that the totals shown in Annex B will in some cases vary significantly from those reported in A/66/79. Where spending is analysed according to certain percentage levels of ODA or where countries are counted that fall within certain total UN expenditure ranges, countries with small expenditures will tend to be under-represented, since the countries removed had quite low levels of expenditure.

All table references in this section refer to the table numbers of Annex B. Rather than sequentially address the individual tables, this section highlights certain findings of interest, with a reference to the table number from which the finding has been taken.

Box 1 – Selected results of expenditure analysis

1. In 94% (of 132) of the countries, the top 5 disbursing UN entities represent in excess of 80% of total UN system operational activities expenditures, although the top 5 disbursing entities vary from country to country (Table 28);
2. across the universe of 132 countries, the top 5 entities average 90% of total UN system country expenditures (Table 28);
3. the entities appearing most often in the top 5 disbursers across the 132 countries are: UNDP (in 127 countries), UNICEF (119), WHO (68), WFP (66), UNHCR (65), UNFPA (49),FAO (47) and IFAD (34) (Table 29);
4. globally, the top 8 disbursing entities represent 91% of total UN expenditures (Table 1);
5. in 60 countries (45.8%) UN expenditures exceed 15% of total ODA flows to the country, which falls to 48 countries (36.4%) when humanitarian expenditures are removed (Table 4);
6. the average number of entities disbursing in each country is 14.4 (Table 5);
7. the average number of entities disbursing in each country ranges from 9.3 where total UN disbursements are less that $20 million to 17.8 where total UN disbursements exceed $80 million (Table 5);
8. average entity expenditure per country ranges from $1.1 million where total UN disbursements are less than $20 million to $13.4 million where total UN disbursements are greater than $80 million (Table 6);
9. for the 48 LDCs, total UN expenditures are less than $20 million in 11 countries (23% of LDCs), have 6.8 entities disbursing with an average disbursement per entity of $1 million (Table 8);
10. for the 48 LDCs, total UN expenditures exceed $80 million in 25 countries (52%) with an average of 17.5 entities disbursing with an average disbursement per entity of $15.8 million (Table 8);
11. for the 84 MICs, total UN expenditures are less than $20 million in 27 countries (32% of MICs), have 11.2 entities disbursing with an average disbursement per entity of $1 million (Table 10);
12. for the 84 MICs, total UN expenditures exceed $80 million in 26 countries (31% of MICs), with an average of 18.6 entities disbursing with an average disbursement per entity of $10.8 million (Table 10);
13. the average number of relationships per country (one entity disbursing in one country equals one relationship) does not vary significantly between LDCs and MICs (Tables 13 & 14);
14. in 50% of all countries, the average entity expenditure for the 29 entities with smaller expenditures is $357,000 (Table 15);
15. for the smaller disbursing entities, expenditures per entity do not vary significantly between the LDCs and the MICs (Tables 16 & 17);
16. in 92 of 132 countries (70%), total expenditures by the smaller entities average $3.5 million per country, and with an average of 7 smaller entities present, average spending per country per smaller entity is $506,000 (Table 18);

17. five LDCs represent more than 50% of total UN disbursements in the 48 country LDC grouping, with a high percentage of spending in each of these countries being for humanitarian purposes (Table 19);

18. 17 Integrated Mission countries (13 LDCs and 4 MICs) represent 36% of global UN country-level spending with expenditures split close to equally between developmental and humanitarian activities (Table 20);

19. in 20 of 48 LDCs (42% of LDCs) total UN disbursements represent more than 20% of total ODA flows, and in 29 of 48 LDCs (60% of LDCs) represent more than 15% of total ODA flows (Table 23);

20. UNDP, UNICEF and WFP represent significant percentages of total ODA flows to all LDCs, with UNDP representing 9.8% of total ODA flows to LDCs, UNICEF 4.2% and WFP 6.3% (Table 23);

21. for the MICs, 16 countries (19% of MICs) represent 60% of total UN system disbursements in the MICs, but in half of these countries humanitarian disbursements represent more than 50% of UN disbursements (Table 24);

22. for the MICs, in 14 countries (17% of MICs) local resources represent more than 40% of total UN disbursements (Table 25); and

23. for MIC countries, when local resource and humanitarian expenditures are removed, 25 countries (30% of MICs) represent 70% of total UN disbursements minus humanitarian and local resource expenditures (Table 26).

Before discussing any general conclusions that might be reached from the wide range of statistical information provided in Annex B and from other UN documents, it is important to flag one important consideration. Many of those interviewed in the preparation of this report underlined that the importance of the work of many UN entities at the country level cannot be based solely on their expenditure levels. It was noted that many entities carry out important advocacy functions; supply important assistance in helping countries to adopt and adjust to evolving global policies, norms and standards; and respond to highly targeted but relatively small technical cooperation support requests where the actual expenditure levels may prove relatively modest. They therefore argue that modest expenditure levels should not be the primary determinant of an entity's contribution. These points are valid. However, in the context of this report where the focus is on the functioning of the RCS and its related activities such as the functioning of the UNCT and the common programming activities, expenditure size is important, particularly if it is ultimately considered useful to place certain limits on the application of the principle of inclusiveness.

The expenditure analysis indicates that that there are two categories of entities within the broader UN family. The first category of entities consists of those who can bring reasonable levels of assured funding (both core and non-core) that can be programmed on a multi-year basis to achieve development objectives. These entities are those most likely to be able to participate fully in joint efforts to try to make the totality of the UN development effort in a country greater than the sum of its parts by participating in medium-term joint programming and in joint programmes.

The second category of entities consists of those who have limited resources available for multi-year programming but who nevertheless can play useful roles in advocacy, promoting policies, norms and standards and targeted relatively small-scale technical cooperation to meet specific needs of the programme country. These entities are much more limited in their ability to play a meaningful role in common programming activities, but can play an important role in strategic direction-setting. While in certain situations it may prove important to include these entities in joint programming processes, in some cases the added value may be limited. The government should decide, based on a recommendation from the RC after consultation with the UNCT, which smaller disbursing entities should be invited to participate in the UNDAF and any resulting common work plans. Even where they do not participate in the UNDAF, they should continue to benefit from the general support of the RC and the UNCT and from common services where available. As indicated earlier, this report does not believe that all UN expenditures need to be included in the UNDAF. It should be expected that many smaller entities will work outside of the UNDAF framework and that this is a practical approach to maximizing coherence while staying at some appropriate point on the cost benefit curve.

6. UNDP – the "functional firewall" and related issues

Given that UNDP manages the RCS for the UN system as a whole and given also that the majority of RCs (about 64%) are sourced from the UNDP, increasing emphasis has been placed in recent years on erecting an effective 'firewall' between the activities of the RC as leader of the UNCT and her/his responsibilities as UNDP Resident Representative. Since fund-raising is now an important function in all posts, it is seen as a particularly sensitive issue that the RC not favour the UNDP in fund-raising activities.

The drive towards an effective firewall between the UNDP as manager of the RCS and the UNDP as a development agency reflects the concerns that were expressed by the High-level Panel on UN System-wide coherence. They are briefly summarized in the following paragraph from a JIU report[24] that recommended a series of benchmarks for coherence and integration in Integrated Missions[25]:

Furthermore, the Inspector found that "conflicting" mandates exist. The dual role of UNDP as broker in operational activities and coordinator/advocate of the United Nations family has the potential for conflict of interests. The role of UNDP as overall coordinator of the United Nations system is perceived as biased by some UNCT members who feel that the coherence process is driven by UNDP to far too great an extent. Also, the newly established UNDP capacity-building mandate in the areas of democratic governance, crisis prevention and recovery, energy and environment, HIV/AIDS and the empowerment of women overlaps with the long-established mandates of other entities.

One of the key measures implemented to erect an effectively functioning firewall is to remove the RC from operational responsibilities for UNDP by transferring these responsibilities to a UNDP Country Director, or in the absence of one, to a Deputy UNDP Resident Representative. However, the RC as RR still retains ultimate accountability for UNDP's activities. The M&A study reported that based on data

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[24] JIU/REP/2009/9
[25] the full range of benchmarks are provided for information in Annex B – although the JIU report is oriented to the SRSG function, it has considerable applicability to the RC function

provided on the UNDG website at that time, 53 countries (39% of the total of 137 countries) had both an RC and a UNDP Country Director. In the remaining countries, the division of labour would be with the Deputy UNDP Resident Representative where they have been appointed. In the many smaller countries where there is neither a UNDP CD nor a UNDP Deputy RR, then a separation of responsibilities is not possible except through the good judgement of the RC.

Where the firewall was deemed to be functioning successfully, the M&A Review concluded that two conditions were present:

- the RC saw coordination as her/his primary role and had delegated her/his UNDP functions to the Country Director or Deputy Resident Representative; and
- the coordination functions were effectively carried out, including providing information to the UNCT, UNCT involvement in decision-making, and the RC clearly establishing when she/he was speaking for the UNS as a whole.

In the survey of UNCT members carried out for the M&A review, 77% of team members reported that a functional firewall had been established in their countries. 75% responded that the firewall worked "very well or somewhat well". The same survey indicates that approximately 53% of respondents believed that the RC had "completely or mostly" delegated her/his UNDP authorities to the Country Director or Deputy Resident Representative.

The M&A Review pointed out that two factors complicate the functioning of the RCs. The first complicating factor was that whatever the delegation made by the RC to either a UNDP CD or a UNDP deputy-RR, the RC/RR is still accountable for all administrative and organizational matters of the UNDP and must devote time to those functions.

The second was the number of distinct roles played by many RCs, including: Designated Official for security matters, Humanitarian Coordinator, Director of UN Information Centre and Deputy Special Representative of the Secretary General or Special Envoy.

While the development, humanitarian and information functions may be well understood, the role of the RC as Designated Official for Safety and Security is of growing importance and perhaps less well-understood. Instability is a characteristic of many of the countries where the UN operates. While historically the threat may have lain primarily in the UN being inadvertently caught up in activities where it was not the primary target, that situation has now changed. The UN has become a target for the activities of a number of dissident groups. In general, safety and security issues now require much greater attention from the UN than previously. The UN Security Management System's goal is to enable the conduct of UN activities while ensuring the safety, security and well-being of personnel and the security of UN premises and assets. While the primary responsibility for this function rests with the host government, the UN has a duty to reinforce and where necessary supplement the government's capacity where efforts beyond those that can reasonably be expected of the host government are required. In each country, the senior-most UN official is normally appointed in writing by the Secretary-General as the Designated Official for Security (DO) and as such is both accredited to the government and is accountable to the Secretary-General through the USG for Safety and Security. With this

designation goes an extensive list of functions and accountabilities oriented to the safety and security of UN personnel and assets. It is a function that can be quite demanding given the unacceptable implications of failure. It is a function that places heavy demands on the capacities of the RC/DOs.

The M&A review notes that RCOs (Resident Coordinators' Offices) and the respective coordination units are a key part of implementing the firewall, as well as providing support to the RC in carrying out her/his key functions. The survey of country team members generally found the support received from coordination units to be "somewhat to very helpful". But a common theme emerging from the review was that resources available for the function were not as large as would be desirable.

In the RC/UNCT Survey, all respondents ranked an adequately resourced RC Office as the 6th most important factor (of 16) in increasing the coherence of the UN over the past four years. The RCs ranked this as the third most important factor.

The concept of the firewall was a key recommendation of the High-Level Panel on UN System-wide Coherence and has been energetically pursued by the UNDG, which as noted earlier, has itself been somewhat distanced from the influence of the UNDP through the evolution of the primary executive guidance function from the original ExCom to the Advisory Group. For its part, UNDP has created Country Director positions in over fifty countries, allowing the RCs in those countries to devote much of their time to the RC function.

It is generally accepted that the firewall is "a good thing". Others argue that it is essential, given the importance of fund-raising at the country level, that the RC be the servant of all by consistently acting in a neutral manner that supports all entities.

Four themes emerged about the firewall in the interviews carried out for this report:

1. many felt that the firewall was not being effectively implemented and the RC was often in a conflict of interest situation;
2. others noted that an effectively functioning firewall was a virtual impossibility particularly in smaller countries where the RC was unable to devote his/herself largely and exclusively to the workings of the UNCT;
3. several noted the heavy pressures placed on RCs to raise funds for the UNDP, a difficult objective to balance with the principle that the RC should focus largely on the interests of the UN as a whole; and
4. many expressed sympathy for the RC being placed in a next-to-impossible situation.

The M&A Review did a survey of RCs. Most of the results were tabulated into a variety of graphs, including graphs on the implementation of the firewall. However, responding RCs were also invited to provide personal comments on the questions raised. While surveys provide some very interesting statistical analyses of the various issues pursued, it can sometimes be in the "comments section" of the surveys that practical issues are found. For this reason, Annex E to this report reproduces a number of the comments made in the survey conducted for the M&A System that are relevant to this report. It must be noted that the comments in Annex E are not meant to be balanced. Since the received wisdom

is that the firewall is essential and in many cases is being poorly implemented by some RCs and/or by the UNDP, the purpose of Annex E is to provide some alternative views, not to reflect a balanced commentary.

Recognizing the danger of over-simplification, the comments provided from the M&A survey (Annex E) tend to indicate that the firewall entails significant costs to UNDP's interests. This cost is presumably acceptable to the UNDP if it leads to a more effectively functioning RC role. The comments suggest that entities may not be upholding their end of the bargain, by continuing to act as if the RC role was not meaningful for them.

From its inception, UNDP was seen to be the backbone of the operational activities system and the UN's country-level structure. Initially, this role was reflected in the now defunct central funding approach. Playing a key role in the RCS and the functioning of the field system continues to be an important institutional objective for the UNDP. But concerns expressed about the functioning of the firewall leads inevitably to the question of whether continued management of the RCS by the UNDP is appropriate.

Several suggestions were made by interviewees that perhaps the role of manager of the RCS should be moved from UNDP to some more neutral body - such as the UNDG or the UN Secretariat. Such a move would certainly be complex, involving both political and financial considerations. A move to the Secretariat might be seen as foreshadowing a broadening of the role of the RC beyond operational activities for development , a very sensitive issue for many Member States. A move away from UNDP would also raise the fundamental issue of how the RCS management function would perform without the broad range of managerial support functions and funding support (not all of which is recognized) that are currently provided by UNDP and which presumably would have to be re-created elsewhere. An additional important question would be how such a move might weaken the UNDP and the implications of a weakened UNDP for the functioning of its field structure which supports the UN system overall.

The challenges facing the long term success of the RCS fall on all parties. If the UNDP must continue to improve the effectiveness of the firewall, so must the other entities work to respect the role of the RC or else UNDP's efforts will be to no purpose. Ultimately, it is not evident in the view of this report that concerns about the functioning of the firewall warrant any shift of management for the RCS away from the UNDP – even if such a shift were to prove organizationally and financially feasible. Having said that, it must also be recognized that the firewall will never function perfectly, particularly in smaller countries.

Most of the stress about the firewall appears to arise out of the concern that the RC may be under considerable pressure to place fundraising for the UNDP ahead of the broader responsibility to fundraise for the broader UNCT. While there are clearly limits on the extent to which the RC can disengage from fundraising for the UNDP where there is no UNDP CD or deputy-RR, where such positions do exist, UNDP is reported to have amended the RC job description to remove fund-raising as an element for appraisal.

7. Pooled funding as an incentive

It is broadly recognized that the ability to access pooled funding is a major incentive for smaller disbursing entities to participate in coordination efforts at the country level. This has been confirmed by

the interviews and surveys carried out for this report and by various reports such as the M&A review and by the draft DaO pilot country evaluation (Annex J Lesson 21). It will be recalled that the High Level Panel Report on UN System-wide Coherence made several recommendations and comments on the question of pooled funding. The Report recommended that a global fund be created to fund activities in well-performing DaO countries; but this has occurred only to the extent that the Expanded DaO Funding Window for Achievement of the MDGs could be considered to fill this role. However, only four donors contributed to this fund (three donor countries have provided approximately 98% of total contributions) – and its future is under review.

A second recommendation called for the DaO pilot countries' One Programmes to be essentially funded by pooled resources at the country level. This has happened, but only to some quite limited measure. Reports indicate that most funding provided to the One Funds is earmarked at least to the joint programme/project level.

In Annex G, a few basic calculations were done to examine the success of the One Funds in mobilizing resources at the country level for the eight DaO pilot countries. Although there may be factors in play that are not apparent from a simple review of the contributions history over a very short time period, the future of One Funds at the country level would appear to be questionable if a primary (but not exclusive) objective is to create a pool of unearmarked resources.

From Annex G it can be seen that 44.5% of One Fund contributions in DaO pilot countries have come from the Expanded DaO Window over the 2009/2010 period. The future of the Expanded DaO Window is under review.

The trend is not encouraging for the "other donors" as well. Between 2010 and 2009 total contributions to the One Funds declined by 18.2% due to reductions in the amounts received from both the Expanded DaO Window (down 11.8%) and other donors (down 23%). In both years, the average number of "other donors" per country stayed constant at 6.25. A very small group of donors appear as contributors to the One Funds in most of the eight pilots, while a few others appear occasionally.

In the country visit carried out for this report, an interview was conducted with the country representative of a bilateral donor which consistently shows in the list of donors supporting the One Funds and which also provides additional funding support to the RC coordination support units. This donor made two important comments: 1) a system based on four or five donors may be difficult to sustain in the longer term, and 2) supplementary donor financing provided to support coordination efforts in the UNCTs should not continue indefinitely – the additional costs of horizontal coordination must, sooner rather than later, be funded through savings in each agency's vertical costs. This latter point entails a two-stepped process: first, realizing the savings in vertical costs; and second, finding ways to use savings in vertical costs to fund the new horizontal costs.

From this simple analysis it would appear that a broad number of donors have not adopted the practice of contributing to the One Funds for the eight DaO pilot countries, although in Viet Nam (10 donors), Tanzania (8 donors) and Albania (8 donors) donor involvement is greater. The linkage that the High Level Panel saw between DaO principles and pooled funding may therefore be threatened. Given the question

marks surrounding the future of the Expanded Window, the decline in contributions from other donors is particularly worrisome. In the country visited in the preparation of this report, considerable difficulty was being encountered in building any momentum behind its recently established (2011) One Fund.

In recent years a major factor in promoting coherence at the country level as been the role of the MDG Achievement Fund (MDGf) in the funding of joint projects. The MDGf is no longer making new commitments and is gradually winding down its operations as existing commitments are completed.

There is another important point to be made. To date, virtually all pooled funding has come through donors' contributions which appear now to be under considerable stress. There has been no or very limited country-level pooled funding, as opposed to entity-specific joint programme funding, provided from the core resources of the UN entities. Is it appropriate for the UN system to continue to appeal to donors to pool their funds at the country level while it does not provide any pooled resources itself? Is there no obligation to provide One Funds with some starting base of pooled resources? Is this an appropriate practice when the UN system places such a heavy emphasis on coherence, with pooled funding being one of the most important incentives to attain this objective? These and other related questions would appear to warrant an in-depth review.

While the sample is small, the question raised is important. If the financial incentive of access to pooled funds is reduced or eliminated, will it prove possible for the UN system to maintain its current level of commitment to coherence objectives?

8. *Managing the RC talent pool*

Many interviewees recognized improvements in the assessment and selection processes for RCs. While the assessment criteria have been broadened, many felt they were still too oriented to the UN's funds and programmes – and to the UNDP in particular. A number believed that humanitarian experience and capacities were seriously under-weighted given the significant number of countries in which the RC also functions as HC (in 30 countries at the end of 2011). Some felt that the RC should not automatically fill the HC function – there being many instances where two separate individuals would be justified. Many felt that the selection process was heavily weighted against candidates with specialized backgrounds. Some felt that even once candidates had passed the selection process, the chance of ultimately being appointed as an RC was heavily weighted against candidates who were "off the radar" for the New York based appointment process.

In contrast to these perceptions however, officials directly involved in the RC management process note that humanitarian capacities are now integrated into the processes of the Resident Coordinator Assessment Centre (RCAC) and the InterAgency Advisory Panel (IAAP) which reviews and advises the UNDG Chair on candidates for RC vacancies. Similarly, they note that the RCAC is competency based and technical knowledge specific.

Many noted the career risks that were involved for all RCs in accepting appointments. Regardless of agency of origin, no formal career stream exists for RCs. Reappointment to subsequent RC positions was not guaranteed, although strong-performing RCs normally found further RC opportunities which could in

practical terms mean that a *de facto* career stream does exist. Re-entry into an RC's home agency on termination of the RC assignment is also not guaranteed but appears to be close-to standard practice. These same challenges apply to all entities, but some noted that entities with frequent rotation for individuals between HQ and field positions were generally able to handle re-entry more easily than those entities without regular rotation. Particularly for candidates from entities other than the funds and programmes, one result of these challenges is that appointment as an RC is seen as an "end of career" assignment. Amongst its priorities for 2012, UNDG will be seeking solutions to two ongoing challenges: 1) the problem of re-entry to the home agency at the end of the RC assignment ; and 2) retaining grades achieved while filling an RC position on return to the home agency.

A number noted that in politically sensitive countries the RC needed a range of political, peace and security skills that went beyond the traditional role played as coordinator of development and humanitarian assistance. In effect, the functions of the RC have been expanding over time to cover a wider range of areas beyond the coordination of operational development activities. Selection, training and support mechanisms have been revised accordingly to reflect this increasing scope and complexity. While certain interviewees acknowledged some broadening of the assessment criteria, they also believed that it was now time for the governance of the RCS to be expanded beyond the UNDG to better represent the UN's humanitarian and political interests[26]. Some also believed that to similar ends, the management of the RCS should be removed from UNDP and placed in a more "neutral" body such as the UN Secretariat (where the RCS management function was originally located), the UNDG or the CEB. These views were strenuously opposed by certain representatives of Member States who did not wish to see any expansion of the role of the RC in such directions and warned of a serious reaction should the RC role become overtly political.

Several representatives of the smaller disbursing entities noted that the RC selection process imposed significant costs on them, not only in terms of selection costs but also for induction and follow-up training.

9. Appraisal processes for RCs and country representatives

Many RCs objected to the one-sided nature of the current appraisal processes. While UNCT members were able to input to RC appraisals, there is no provision for the RC to input to an agency country representative's appraisal. In the view of many RCs, entities did not seriously take into account the performance of their country representatives in terms of their contribution to the effective functioning of the UNCT. This point was partially confirmed during the country visit when several agency staff stated that their superiors placed little value on the contributions they made to the effective functioning of the UNCT.

In reviewing the RCs' concern about their inability to input to the appraisals of agency UNCT members, it was suggested by some that this was provided for in the One80 Competency Development Tool. After reviewing the guidelines for the One80 tool, this report concludes that the tool does not adequately address this concern of the RCs. At the outset, the One80 tool provides UNCTs with two options: 1) to

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[26] humanitarian, and some political entities are already part of the UNDG.

do a full One80 which assesses the RC, the UNCT collectively and every UNCT member individually; or 2) to do a One80-lite which assesses only the RC and the UNCT collectively. In the latter case, it is evident that while RCs are assessed, individual UNCT members are not assessed. Where a full One80 is done (which includes individual assessments), the reports are confidential and are only shared with line managers (which line managers is not defined) and with agency human resources focal points. There is no requirement or indication that reports shared with line managers or agency human resources focal points are to be used in the preparation of annual appraisals. As the name of the tool suggests, the One80 for UNCT members other than the RC appears oriented more to competency development than to appraisal.

Conversely, the RC guidelines for the One80 state that "the One80 is an important component of the overall performance management of RCs and UNCTs (there is no mention of UNCT members) and is used as a resource at the annual Regional UNDG Team appraisal meetings of RC/HC/DO and UNCT performance". Thus, the One80 is an important input to the appraisals of the RCs, but there appears to be no corresponding provision for the One80 to be used in appraisals of agency UNCT members.

Some RCs and UNCT members felt that the DaO philosophy has distorted the performance measures for both RCs and UNCT members. In their view, excessive importance is being placed on counting things like the number of joint programmes/projects, how many entities are involved in each and the number of thematic working groups - rather than on results. As one interviewee phrased it: it is no longer "what we are delivering", but "what we are delivering as one".

This report concludes that the concern of the RCs that they have no input to the appraisals of agency country representatives is valid and reflects in general terms the lower priority accorded by some entities to the implementation of the M&A system and the participation of their representatives in UNCT work.

10. Harmonized business practices

All business practices are essentially designed to allow a UN entity to be accountable for the "good stewardship" of the resources entrusted to it. While all serve the same basic function, virtually every entity has designed a different system. Are the reasons underpinning the differences between these systems valid?

Despite the stated goal of harmonization of business practices of the UN system in recent years, there are numerous examples of UN entities continuing to develop and implement new systems that are different to those of other entities – compounding the problems for both the programme country governments and for the UN staff in the field attempting to develop more coherent approaches. Today, there appears to be no central presence taking effective action to enhance harmonization in this major source of cost for the UN system and frustration for programme country governments. Entities tailor their systems to meet their individual needs, with scarce or no consideration given to using existing systems.

The complexity of the total overall pattern of differing business practices is starting to raise questions in the minds of some major programme countries as to the continued benefit of working with some UN entities, particularly the smaller ones. Thus the issue is not just one of cost savings within the UN, but of the overall credibility of the UN system as a development partner in the eyes of the host government.

Much more detail on the issue of business practices is contained in the Business Practices report and priority should be given to its findings. Based on the interviews carried out, this report is left with several impressions:

1. despite the gains at the country level, further gains are being constrained by the lack of flexibility in what are seen to be HQ driven and HQ oriented systems;
2. HQ structures generally appear to place a low priority on the operational requirements of the field; and
3. major cost savings opportunities are being missed because HQ systems are not integrated in a manner that they can be provided on a common basis at the field level.

11. Various management practices of the RCS (see Annex F)

During the interviews conducted for this report many commented on a variety of RCS managerial issues. These comments dealt with subjects which, although definitely relevant to the subject under review, could not reasonably be addressed within the terms of reference and other practical parameters of this report. A brief summary of these comments is contained in Annex F. No attempt is made to reach conclusions on these issues.

12. Implementation of previous General Assembly decisions

A review of the GA's TCPR decisions back to A/RES/44/211 of 1989 reveals considerable and consistent progress on most of the requests made. Whatever the importance of some of the issues raised in this and other reports, it is evident that General Assembly guidance combined with effective management response has led to a much different UN operational activities system today – and specifically one that is significantly more coherent than in the past.

From the review of past decisions, five issues may still require either additional effort or clarification as to intent.

1. A number of resolutions point to the importance of the full inclusion of all UN agencies in country-level strategic and programme planning processes (e.g. A/59/250 para. 45 – Annex A point 25). Other resolutions (e.g. A/59/250 para. 62 – Annex A point 31) call for the UN's country level presence to be tailored to meet the country's specific development needs, rather than, as emphasized in A/44/211 para. 15 – (Annex A point 3), to the institutional structure of the United Nations system. These decisions may not be fully consistent with each other and how they are reconciled is important for the functioning of the RCS.

2. It is also if not clear if A/RES/44/211 para. 15 (Annex A Point 3) is meant to imply a limitation on the country presence of entities with small programmes that may fall outside of the government's priorities.

3. Certain decisions (e.g. A/RES/50/120 paras. 41 & 42 – Annex A Points 14 & 15) call for the RC and/or the UNCT to review all substantive programme and project documents of all agencies prior to their submission to the agency's HQ for approval. This does not currently appear to be systematically applied across all country offices and was resisted by many in consultations related to the preparation of this report.

4. Certain decisions (e.g. A/RES/50/120 para. 37c – Annex A point 12) call for means of appraising the contribution of staff members to United Nations coordination. Some RCs noted that current appraisal processes at the country level appear to be unbalanced, in that agency representatives input to the appraisal of the RC while the RC has no parallel ability to input to the appraisals of agency representatives on their contributions to the functioning of the UNCT. As outlined earlier, the One80 Competency Development Tool contributes to assessing the performance of the RCs and the UNCTs, but seems insufficient as a means of assessing the contributions of individual staff members.

5. A/RES/50/120 para. 45 – (Annex A point 16) calls, in the context of further simplification and harmonization, for greater sharing of administrative systems and services in the field. Sharing of key systems and services at the field level (as at HQ) is a major area for potential transaction cost reductions. While some progress has made, particularly at the field level, the gains to date are modest. A reason frequently given for this limited progress is that it is difficult to align systems and services at the country level that are not aligned at the HQ level. These comments need to be addressed in the light of the Business Practices review.

It would be beneficial for the General Assembly to reaffirm its policies on a number of these issues and to call upon all UN entities to implement fully their undertakings, particularly those documented in the M&A System.

Finally, a number of GA resolutions call in various formulations for a further enhancement of the role and/or authority of the RC (e.g. A/47/199 para. 39(g) – Annex A point 9) with particular reference to the planning and coordination of programmes. As outlined earlier in this report, the role of the RC has been enhanced and that enhanced role is now documented in the M&A system which is in the process of implementation. However, the agreed authorities for the RC are still quite limited given the centrifugal forces arising from many long-established individual agency-focused practices.

During the interviews carried out for this report a number of suggestions were made for an enhanced role of the RC that the General Assembly might wish to ask the UNDG to assess, including:

1. to recommend to the government, after consultation with the UNCT, that certain individual entity-planned activities that might be detrimental to the UN's broader strategy for the country not be approved;

2. to recommend to the government, after consultation with the UNCT, which UN entities should participate in the UNDAF or other common programming processes in order to ensure a

coordinated response fully aligned with the specific development needs and priorities of the country and its expectations for the UN system; and

3. to be consulted and have the opportunity to submit comments in advance and in a timely manner on planned agency country representative appointments.

13. Institutional restructuring of the UN system

Three recent reports – the draft DaO Evaluation, the Transition Study and this report have all noted that the ability to respond to the GA's desire to achieve enhanced coherence in UN operational activities may have reached, or be close to reaching, what is feasible given the current structuring of the UN system. Given the independent or semi-independent nature the current UN structure, incremental measures to enhance coherence can result in disproportionate cost increases as the expectations for coherence become increasingly sophisticated. As noted earlier in this report, institutional restructuring of the UN system is an immense challenge, with no single official or governing board in charge. Due to the problems involved, institutional restructuring has not been seriously examined for many years.

For operational activities however, the situation might be somewhat different. Approximately 80% of operational activities are carried out by entities that report through the Secretary-General to the General Assembly. It would thus be possible to consider significant adjustments to current structures that would impact on a high percentage of operational activities without encroaching on the prerogatives of the specialized agencies.

An important question is what does "institutional restructuring" mean? This report believes that this should not be seen only as reducing the number of entities through the amalgamation of complementary entities, but also as a possible series of steps that could start with the combining of certain support functions that are found in all existing entities, subsequently proceeding as deemed appropriate to other measures such as central joint policy or joint programming units. A conceptual stepped approach to such a phased restructuring was considered by the High-level Panel on System-wide Coherence but was dismissed at the time as impractical.

This may still be the case, but it is an issue worthy of discussion in a fundamental policy-setting review such as the QCPR. If such restructuring steps are still seen as impractical, then it is important for the General Assembly to recognize that the current structure will place meaningful limits on the extent to which coherence can be achieved through voluntary measures from entities with well-entrenched prerogatives and that additional coherence initiatives will prove increasingly costly. If the General Assembly considers that some measure of restructuring may now be called for, it would be important for Member States to manage directly the process, since all staff, with no criticism intended, have vested interests.

A Differentiated Approach to the Application of the Resident Coordinator System

The TOR for this review called for an assessment of whether the RCS could be applied differently in countries of differing characteristics – particularly in terms of possible standard models based on differing levels of development. Even within the broad categories of approach to the application of the

RCS described earlier, many variations exist as the RCs and the UNCTs have adjusted to the conditions prevailing in the country. The question then is not so much whether a differentiated approach is possible, but whether there are lessons from the way the RCS has evolved that help clarify thinking about the system as it currently operates and which might perhaps provide some guidance about how the future of the system might evolve or be designed to reflect country conditions.

What have been the main driving factors behind the major variations on the RCS that have emerged to date? For the Integrated Mission, the answer is evident. Post-conflict instability presents a combination of challenges on the security, political, humanitarian and developmental fronts – often in situations characterized by poorly functioning governments. The urgency of simultaneous approaches to all of these challenges underscores the importance of a coherent UN approach. This is recognized by the granting of special authorities in the mandates approved by the Security Council. Given its unique circumstances, this model hopefully will not become any pattern to be widely applied in the future. There are however a some useful lessons to be learned:

1. authority is important – the Security Council mandate empowers senior managers and effectively calls upon other parties to respect that authority and to cooperate with it;
2. resources for coordination purposes are important – there is some evidence to indicate that the RC function in an Integrated Mission benefits from funding for coordination support services that originates outside of the development window – normally from the humanitarian window; and
3. rank matters, as the DSRSG benefits in many IM countries from the rank of ASG.

The DaO model is in many ways a strengthened application of the same principles that have underpinned the RCS since its inception. It was developed in response to a general concern about the lack of coherence in the UN system and the negative implications of this image for both donors and programme countries. Although perhaps not equally present in all DaO countries, it is generally believed that it is the strong commitment - even demands - of the government that were instrumental in forcing the UN system into more coherent action. In many cases this strong push of the government was warmly welcomed and endorsed by the officials of the entities operating in the country, many of whom were frustrated with the traditional ways of doing things. One of the key lessons of the early phases of DaO experimentation was that the field (government and UN staff) were often far ahead of HQ in their ability to think creatively and to commit to new approaches. In some instances, HQ were seen as blocking field efforts to implement reform. On some issues then (such as diverse RBM structures and business practices) it is the inertia of HQ and the respective Executive Boards that is the critical barrier to be overcome for UN Reform. DaO is probably the most ambitious version of a coherence model that is still based on a traditional field alignment of UN entities.

The Joint Office model is different in that it breaks down the traditional pattern of agency representation at the country level. Four separate former ExCom agency heads were replaced by one – with WFP's subsequent withdrawal from the country reducing that number to three. Business systems were supplied by one agency. Administrative cost savings were significant and the government expressed high satisfaction with the approach. But despite these positive results its use has not been

expanded. Four possible reasons for this were suggested: 1) some agencies felt that it was too difficult for the RC to represent effectively their interests; 2) HQ failed to provide appropriate level agency-specific technical backup to the RC who was now representing all four ExCom entities; 3) HQ were unable or unwilling to adapt their information requirements to the limitations of the new common system used; and 4) HQ rivalry led to great resistance that any expanded use of the Joint Office model might set an unhealthy precedent by developing momentum behind the systems of one agency in preference to another.

This report, while noting the problems encountered, considers the Joint Office model to represent an important new approach in the future. This is based on a belief that the identified problems can be overcome – and that overcoming them will be worth the effort. Government satisfaction is high as the complexity of relationships for small countries is greatly reduced. Cost savings are impressive. More multi-dimensional RCs are developed as they gain experience representing several major entities. The need to settle on a common set of business systems could also be seen as a major test for the future of the UN system. If it cannot be achieved for the smaller countries where the Joint Office model would most normally be applied, then it will not likely happen anywhere.

The UNDP representation model touches only on one specific aspect of the RCS – how to achieve appropriate representation at the country level for smaller entities. The major challenge as outlined in the UNIDO/UNDP evaluation report lies in the imbalance in commitment between an agency like UNDP (but it need not always be the UNDP) and one of the smaller entities – a relationship of critical importance to the smaller agency may be just another workload element for the larger agency. Again, as noted in the UNIDO/UNDP evaluation, more successful joint representation models are more likely to arise between entities of similar size with somewhat common areas of interest (such as health or trade and industrial development). This possibility should be explored more thoroughly in the future.

A major factor in country level adaptation of the RCS system has been, and must continue to be, the wishes and capacities of the government. Within even the general categories of approach outlined in this document, it is evident that adaptation is the result of a number of factors, most particularly the commitment and desires of the government.

As a general conclusion, the different approaches to the application of the RCS model do not arise primarily out of any linkage to the traditionally-defined level of development of a country (such as LDCs or MICs) but out of other factors:

1. the peace and security situation;
2. the commitment of the government to more effective ways of working with the UN;
3. minimizing representation costs in situations of relatively small programme expenditure;
4. finding ways to build on the existing capacities of others; and
5. fine tuning all of the "general approaches" to reflect the realities of the individual country.

In the application of the RCS and in the quest for coherence a number of key questions can perhaps help point the way as to the level of effort that is desirable. Most of these criteria arise from various

assessments made about situations that either justify significant efforts towards achieving coherence or factors that will determine its success:

1. does the government prefer to exercise the responsibility for coordinating the work of the UN entities itself through a "hands-on" approach, or does it prefer to limit its direct management of the UN system's activities and leave UN coordination to the UN;
2. does the government have the capacity to manage effectively its preferred method of managing its UN relationships;
3. does the government prefer an approach whereby the utility of the UN system is seen mainly in serving central planning ministries, or does it prefer a more sectoral approach where close working relationships between line ministries and their corresponding UN entity are more important;
4. does the government generally prefer a proactive approach from the UN system, or an approach where the UN system essentially responds to clearly defined requests from the government;
5. are total UN system operational activities expenditures large or small overall, both before and after separating out humanitarian and local resource expenditures;
6. does the UN system's total <u>development</u> expenditure in the country make it an important or modest development partner;
7. are UN expenditures based largely on financing from local resources, where the government largely determines the activities selected for UN participation;
8. is there a large number of UN entities with expenditures in the country or a smaller number;
9. how many UN entities have multi-year programmable funds for the country, either from core resources or reasonably-assured non-core resources; and
10. what is the total of UN system-wide resources that can be "strategically programmed" because they are either core resources or reasonably assured non-core resources?

Thinking differently about how to apply the RCS is based on the premise that the costs incurred for coordination should be appropriate to the results achieved. Cost savings can be of four basic types in these situations:

1. reducing the staffing requirements for the UN country presence overall (such as in the Joint Office approach or the UNDP representation approach);
2. reducing the costs of the coordination units by reducing or simplifying the tasks required of them;
3. reducing staff time requirements for all UN entities by simplifying or eliminating processes (which are more likely to lead to a reallocation of time to better uses rather than to clear cost reductions); and
4. minimizing the amount of overlap and duplication.

The following are potential measures (some are already in practice) that could be considered as means to adjust how the RCS might operate:

1. consider the expanded use of the Joint Office model in countries of limited UN presence and the UN's importance as a development partner, first carrying out a review of the existing Joint Office to identify its advantages and disadvantages, and as deemed appropriate, to address difficulties for which practical solutions could be put in place;
2. continue to encourage the use of the lighter levels of guidelines already in place for common programming activities (such as the CCA and the UNDAF);
3. formally recognize and support as appropriate smaller entities working outside of the framework of joint programming activities where their valued added might be limited but where there are still legitimate activities to be carried out. Measures to accomplish this already exist where such agencies are listed with their programmes, without them being a part of the UNDAF results matrix and coordination structure. But some smaller entities have reported practical difficulties arising when they are not seen to be participating in common programming exercises;
4. eliminate the use of common programming activities where the UN is primarily responsive to clearly defined and specific requests for assistance from the government, perhaps to be replaced by a much more general statement of shared UN objectives for the country (perhaps such as an UNDAF at the strategic outcome level without an UNDAF Action Plan that provides a detailed costing of outputs);
5. make greater use of smaller sub-groups of the UNCT that could be delegated responsibility for their specific areas. A variety of options for the organization of such sub-groups are already being used in a number of country offices. One sub-group should be specifically oriented to the common operational challenges for the major disbursing entities. The basic intent is to remove the full UNCT from having to address many issues that may be of primary interest to a limited number of UNCT entities and to allow important operational decisions for the major disbursing entities to be taken expeditiously. To be successful, such smaller groups need delegated authority and generally their decisions should not be re-opened in the full UNCT;
6. in a manner similar to the combined representation of the former-ExCom entities in the Joint Office model, consider the expanded use in smaller countries of joint representation for entities with similar interests and/or the expanded use of regional capacities. An alternative would be to consider the assignment of a UN Volunteer as the focal point for a NRA, who would engage substantively on the entity's behalf and its mandate;
7. exclude entities that do not have multi-year programmable resources and accredited country representation from participation in joint programming exercises, except where an entity is invited to participate because its participation is deemed important for a theme of the UNDAF;
8. continue to support the work of those entities not participating in the UNDAF through the efforts of the RC and where necessary and possible with appropriate support services;
9. develop a "field-focused" approach to the harmonization of business practices, so that entity HQs adjust their systems to a set of standardized requirements at the country level rather than the field adjusting to the different approaches of the HQs ;
10. consider as an interim measure in smaller countries and pending more complete harmonization of business systems the provision of national technical staff trained to operate the various enterprise resource planning and other relevant systems in use. This might be done by

contracting out to one source all aspects of the operation of such a service. This should be considered in the light of the findings of the Business Practices report;

11. develop web-based portals where countries can access the range of specialized services available from those entities who are essentially responsive to short term requests for highly targeted assistance; and

12. globally, review the functioning of the UNDG Advisory Group and consider creating a limited membership sub-group of the major disbursing entities to address common operational issues.

Recommendations

The coordination challenges for UN operational activities at the country level arise primarily from coordination being voluntary as the result of the independent or semi-independent nature of the participating entities. Several reports, including this one, observe that coherence may have reached or is reaching the limits achievable given the system's current structure. Restructuring the system, partially or fully, presents enormous challenges. However, 80% of UN operational activities are delivered by entities with a direct reporting relationship through the Secretary-General to the General Assembly.

Recommendation 1: the General Assembly may wish to review if some elements of either institutional or functional restructuring of the entities of UN system that report to it should be further explored because they are deemed essential in the longer term in achieving its coherence goals.

As outlined in this report, the full implementation of currently agreed UNDG measures such as the M&A System would further enhance coherence at the country level. To a certain extent, this report has been prepared in a transitional situation, where the full implementation of agreed measures has not yet been achieved.

Recommendation 2: the General Assembly may wish to call upon all entities of the UN system to fully implement the measures for the more effective functioning of the RCS already agreed at the UNDG, particularly those of the M&A System.

The General Assembly has through a series of TCPR decisions laid out a series of policies for the functioning of the RCS. In most cases, the system-wide response has been laudatory and the UN operational activities system today operates much more effectively as a result. The degree of implementation of some of the policies is however still incomplete and the meaning of certain previous General Assembly decisions is not always clear.

Recommendation 3: the General Assembly may wish to reaffirm or clarify some of its previous decisions, including:

1. **that the UN presence at the country level should be tailored to the country's needs and priorities and the UN system's planned programmes to address those needs and priorities, and not on the institutional structure of the UN system;**

2. **that the RC should review all substantive programme and project documents of all entities prior to their submission to the entity's HQ for approval and should have the ability to comment in a timely manner on such documents when deemed necessary;**
3. **that the RC should input to the appraisals of all entity UNCT representatives on their contributions to the effective functioning of the UNCT;**
4. **that there should be greater sharing of administrative systems and services in the field** (and the GA may wish to add) **as well as at HQ.**

Past TCPR resolutions have generally endorsed an enhanced role for the RC. Important progress has been made and this progress may become further evident as the M&A System is increasingly implemented. However, the RC still has a very limited ability to help counteract the general centrifugal tendencies of the UN system.

Recommendation 4: **the General Assembly may wish to further enhance the role of the RC by requesting the UNDG to consider adjusting the RC job description and other relevant guidelines to include the following:**

1. **to recommend to the government, after consultation with the UNCT, that certain individual entity planned activities that might be detrimental to the UN's broader strategy for the country not be approved;**
2. **to recommend to the government, after consultation with the UNCT, which UN entities should participate in the UNDAF or other common programming processes in order to ensure a coordinated response fully aligned with the specific development needs and priorities of the country and its expectations for the UN system; and**
3. **to be consulted and to have the opportunity to submit comments in advance and in a timely manner on planned agency country representative appointments.**

The commitment of all UNCT members to UN coordination will be a critical factor in efforts to achieve some optimal level of system-wide coherence. There is evidence that the commitment of some team members and some UN entities is much greater than others.

Recommendation 5: **the General Assembly may wish to call upon all UN entities to:**

1. **communicate effectively to their field staff that their contribution to UN coordination is an important and integral part of their functions;**
2. **ensure that such contributions form part of regular staff performance appraisals; and**
3. **ensure the input of the RC to regular staff performance appraisals on the individual's contribution to the effective functioning of the UNCT.**

The General Assembly in past resolutions has called for the UNDG to ensure that RCs have the necessary resources to fulfil their role effectively. Current funding levels are considered to be somewhat inadequate and are under further stress. UNDG is currently carrying out an in-depth review of this issue that should be available by the time QCPR discussions are engaged.

Recommendation 6: the General Assembly may wish, taking into account the results of the UNDG coordination funding review, to consider the role of Member States and all UN entities in ensuring adequate resources for the Resident Coordinator system.

There is broad agreement that access to pooled funding at the country-level is an important incentive for smaller disbursing agencies to participate in coherence efforts. To date, virtually all pooled funding has come through donors' contributions which appear now to be under considerable stress. There has been no or very limited country-level pooled funding, as opposed to entity-specific joint programme funding, provided from the core resources of the UN entities.

Recommendation 7: the General Assembly may wish to request the UNDG to undertake a review of the importance of pooled funding for coherence efforts at the country-level and, to the extent it is deemed important, examine the feasibility of providing some level of pooled funding at the country level from the core resources of UN entities.

The General Assembly has, in a number of resolutions, stressed the importance of further harmonization and simplification of business practices and the increased sharing of administrative services at the country level. Some very useful progress on these issues has been achieved. The Business Practices study will contribute further to discussions on this issue. It appears however that major opportunities for rationalization still exist, particularly since most of the focus has been on field level changes rather than HQ changes.

Recommendation 8: the General Assembly may wish, for the major funds and programmes that report to the General Assembly, to initiate a fundamental review of existing business practices and their support systems, as well as the provision of administrative services, with a view to enhancing field support and reducing support costs through new common approaches at the HQ level, including the possible use of common systems and services for all of these funds and programmes.

This report indicates that the RCS has been creatively applied at the field level to take into account the prevailing realities of each country. Even within each of the different "models" identified in this report, their application varies significantly from country to country.

Recommendation 9: the General Assembly may wish to reaffirm that the application of the RCS at the country level needs to be tailored to the needs and priorities of the country and to the planned programmes of the UN system.

This differentiated application of the RCS across the range of UN programme countries reveals many different innovative approaches that can reduce the general cost of its operation. Some of these innovative approaches could potentially be applied in additional countries.

Recommendation 10: the General Assembly may wish to request the UNDG to synthesize a number of best practices that reduce costs and to assess their potential for broader application.

The Joint Office approach was at one recent time seen as having major cost savings benefits for the UN's operational activities and worthy of wide-scale application. For a variety of reasons, the approach has

not been expanded beyond the initial pilot country. The problems identified that have limited the further use of the approach are real, but do not appear insurmountable given the important cost advantages achieved and the government support that it received.

Recommendation 11: the General Assembly may wish to request the UNDG to carry out a full review of the Joint Office experience to date, to assess the feasibility of solutions to identified problems, with an ultimate view of possible expanded use of the Joint Office approach in smaller programme countries.

Some smaller disbursing agencies have indicated that their activities in some countries are not considered "legitimate" unless they are part of the UNDAF process. For many smaller disbursing agencies, particularly those that are essentially responsive to government requests, this can present challenges that are both difficult and costly to overcome.

Recommendation 12: the General Assembly may wish to explicitly recognize that the largely responsive activities of smaller disbursing agencies need not be aligned with the UNDAF where the RC has been advised in advance of the planned activity and raises no objections.

The General Assembly has underlined on a number of occasions that the UN system at the country level should be based on the needs and priorities of the country rather than on the institutional structure of the UN system. While a more in-depth review is required, expenditure pattern analysis for smaller disbursing agencies might indicate that in a significant number of countries the level of expenditure appears to be based largely on maintaining an entity's country representative. In many cases this may be justified given the historic role played by entity representatives at the country level. Nevertheless, it is also possible that these costs could be reduced by more innovative approaches.

Recommendation 13: the General Assembly may wish to call upon all smaller disbursing UN entities to review their country level representation and to consider alternative innovative approaches.

In countries with very large humanitarian programmes, the workload placed on the RC/HC may be excessive and fall somewhat outside of the work experience of the RC. In such cases, splitting of the two functions might be desirable.

Recommendation 14: the General Assembly may wish to call upon the UNDG, in full consultation with ECHA, to review whether, and under which prevailing conditions, separate HCs should be appointed in countries with particularly large humanitarian programmes, with the HC in such situations remaining a member of the UNCT and maintaining established country team member relationships with the RC.

"And it ought to be remembered that there is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things. Because the innovator has for enemies all those who have done well under the old conditions, and lukewarm defenders in those who may do well under the new."

Nicolo Machiavelli, The Prince

<u>Annex A</u>

Selected Quotes from Previous TCPR Decisions of Relevance to this Report

Report Reference Number	Resolution Paragraph	Text

A/RES/44/211 (1989 TCPR)

Report Reference Number	Resolution Paragraph	Text
1	Preambular	*Emphasizing further* that the range and quantity of skills and expertise assembled by the United nations system at the country level, under the team leadership of the resident coordinator, should correspond to the multilsectoral and sectoral backstopping needs and requirements of developing country and should be within the framework of the respective government programme of cooperation of the United nations system, rather than to the institutional structural of the United Nations system.
2	14	Stresses the need … to improve the operational activities of the United Nations system, in particular with respect to programming, simplification and harmonization of rules and procedures governing the programming processes and project cycles, decentralization of authority, role of the country office structures and reorientation of execution modalities, in order to enable the recipient Governments to exercise their management and coordination responsibilities and strengthen their national capacities.
3	15	Emphasizes that the United Nations system at the country level should be structured and composed in such a way that it corresponds to ongoing and projected cooperation programmes, rather than to the institutional structure of the United Nations system and, to this end, decides: ... (b) to reinforce team leadership capacity of the resident coordinator within the United Nations system at the country level for the integration of the sectoral inputs of the system and for the effective and coherent coordination of the response of the United Nations system to the national programme framework, through *inter alia: (i)* A clarified and strengthened mandate from the Administrative Committee on Coordination, in accordance with General Assembly resolutions 32/297, *41/171 and 42/196; (ii) The effective* coordination of technical advice and input from the United Nations system; (iii) Closer cooperation of the field representation of the United Nations system at the country level with the resident coordinator; ...

A/RES/47/199 (1992 TCPR)

Report Reference Number	Resolution Paragraph	Text
4	38	<u>Emphasizes</u> that an effectively functioning resident coordinator system will be dependent on a number of factors, including the following:
5	38(b)	The United Nations system at the country level should be tailored, taking into account the views of the recipient Government, to the specific developmental needs of the country in such a way that they correspond to ongoing and projected cooperation programmes rather than to the institutional structure of the United Nations;
6	39	<u>Requests</u> the Secretary-General … to strengthen the resident coordinator system with the aim of:
7	39(b)	Establishing, in consultation with recipient Governments, a clearer division of responsibilities for the resident coordinator and individual funds, programmes and specialized agencies;
8	39c	Ensuring that, in the context of the country strategy note, where in place, representatives of the members of the Joint Consultative Group on Policies at the field level and, in due course, of all funds, programmes and specialized agencies with field operations inform, consult with and take account of any views of the resident coordinator in the context of major programming exercises before reporting to their headquarters on major programming and policy issues;
9	39(g)	Enhancing the responsibility and authority of the resident coordinator for the planning and coordination of programmes as well as allowing him or her to propose, in full consultation with the Government, to the heads of the funds, programmes and specialized agencies, the amendment of country programmes and major projects and programmes, where required, to bring them into line with the country strategy note;

10	41	<u>Calls upon</u> the coordinating mechanism mentioned above (note: now the UNCT), in consultation with the host Government, to undertake advisory functions including, *inter alia*, the provision of guidance and advice on proposed programmes of funding organizations, the review of agency sector strategies and evaluations and the investigation of specific problems and issues requiring a coordinated response;

A/RES/50/120 (1995 TCPR)

11	37	<u>Also requests</u> the Secretary-General to:
12	37c	Develop common guidelines for staff performance appraisal for the funds and programmes, including ways of assessing the contribution of staff members to United Nations system coordination;
13	40	<u>Decides</u> that in order to promote coordination and a better division of labour resident coordinators should, at an early stage of formulation, be informed of planned programme activities of the United Nations agencies, funds, programmes and bodies;
14	41	<u>Also decides</u> that the field-level committee organized by the United Nations system country team, which were established in accordance with paragraph 40 of General Assembly resolution 47/199, should review substantive activities - including draft country programmes, sectoral programmes and projects - prior to their approval by individual organizations, and should exchange experience acquired, on the understanding that the result of the work of the review committee should be submitted to national Governments for final approval through national focal points;
15	42	<u>Reaffirms</u> the need to enhance the responsibility and authority of the resident coordinators for the planning and coordination of programmes, as well as to allow them to propose, in full consultation with Governments, to the heads of the funds, programmes and specialized agencies, the amendment of country programmes and major project and programmes, where required, in order to bring them into line with country strategy notes;
16	45	<u>Calls for</u> further simplification and harmonization of rules of procedure used by the United Nations development system in its operational activities, in particular by the promotion of greater consistency in the presentation of budgets at the headquarters level, as well as in sharing administrative systems and services in the field, where possible, and in developing common databases, in consultation with national Governments;

A/RES/53/192 (1998 TCPR)

17	23	*Requests* the Secretary-General to continue to make the resident coordinator system more participatory in its functioning at the field level by, *inter alia,* making greater use of thematic groups and adopting a more consultative approach with the United Nations system;
18	31	*Calls* for the further simplification, harmonization and rationalization of procedures for operational activities of the United nations development system at the field level, where possible, and developing common databases, in consultation with national Governments;

A/RES/56/201 (2001 TCPR)

19	51	*Notes* that coordination activities, though beneficial, represent transaction costs that are borne by both recipient countries and the organizations of the United Nations system, and emphasizes the need for their continuous evaluation and for an analysis and assessment of costs compared with the total programme expenditures on operational activities for development in order to ensure maximum efficiency and feasibility;
20	60	*Requests* the funds, programmes and specialized agencies of the United Nations system to examine ways to simplify further 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: the decentralization of delegation of authority; the financial regulations; the procedures for implementing programmes and projects and, in particular, the requirements in terms of monitoring and reporting; the common shared services at country offices; and the recruitment, training and remuneration of national project personnel;

21	66	*Reaffirms* that the resident coordinator system, within the framework of national ownership, has a key role to play in the effective and efficient functioning of the United Nations system at the country level, including the formulation of the common country assessments and United Nations Development Assistance Frameworks, and is a key instrument for the efficient and effective coordination of the operational activities for development of the United Nations system, and requests the United Nations system, including the funds and programmes, the specialized agencies and the Secretariat, to enhance support to the resident coordinator system;
22	69	*Encourages* enhanced dialogue, feedback, participation and interaction between the resident coordinator on the one hand, and the specialized agencies, small technical agencies, the regional commissions and organizations of the United Nations system without field level representation on the other, including through a wider use of information and communication technologies;
23	78	*Recognizes* that the diversity of programming procedures of the funds, programmes and specialized agencies of the United Nations system results from the diversity of their mandates and the decisions of their respective governing bodies, and, that notwithstanding, calls upon those organizations to intensify their efforts to utilize all avenues for stronger cooperation and coordination at the headquarters level, which should complement similar coordination at the country level, and urges them to keep countries fully informed of decisions take at headquarters;

A/RES/59/250 (2004 TCPR)

24	36	*Requests* the funds, programmes and specialized agencies of the United Nations 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 concretes steps in the following areas: rationalization of country 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; alignment of the regional technical support structures and regional bureaux at the headquarters level, including their regional coverage; as well as further simplification and harmonization measures;
25	45	*Calls upon* the United Nations development system to foster an inclusive approach in promoting inter-agency collaboration, both at the country and headquarters levels, and requests the United Nations System Chief Executives Board for Coordination, in collaboration with the United Nations Development Group, to take the necessary steps to secure a more participatory involvement of the United Nations development system in the country-level operations and their coordination mechanisms, including through promotion, decentralization, the delegation of authority and multi-year programming, which will facilitate their participation in country-level coordination mechanisms;
26	51	Requests the Secretary-General … to ensure that United Nations Development Group agencies with multi-year programmes as well as the entities of the Secretariat that carry out operational activities in pursuit of the MDGs, full align their 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;
27	54	*Urges* the United Nations 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 United Nations Development Group to ensure that resident coordinators have the necessary resources to fulfil their role effectively;
28	59	*Underscores* the fact that the resident coordinator system is owned by the United Nations development system as a whole and that its functioning should be participatory, collegial and accountable;
29	60	*Also underscores* the fact that the management of the resident coordinator system continues to be firmly anchored in the United Nations Development Programme, 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 the United Nations Development Programme 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;
30	61	*Requests* that, when raising funds, resident coordinators concentrate on raising funds for the whole of the United Nations at the country level;
31	62	*Reaffirms* the principle … that the country-level presence of the United Nations system should be tailored to meet the specific development needs of recipient countries, as required by their country programmes;

A/RES/62/208 (2007 TCPR)

32	89	*Underscores* the fact that the resident coordinator system is owned by the United Nations development system as a whole and that its functioning should be participatory, collegial and accountable;
33	91	*Reaffirms* that the resident coordinator system, within the framework of national ownership, has a key role to play in the effective and efficient functioning of the United Nations system at the country level, including the formulation of the common country assessments and United Nations Development Assistance Framework, and is a key instrument for the efficient and effective coordination of the operational activities for development of the United Nations system;
34	92	*Urges* the United Nations 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 United Nations Development Group to ensure that resident coordinators have the necessary resources to fulfil their role effectively;
35	93	*Notes* that coordination activities, though beneficial, represent transaction costs that are borne by both recipient countries and the organizations of the United Nations system, and requests the Secretary-General to report on an annual basis to the Economic and Social Council at its substantive session on the functioning of the resident coordinator system, including costs and benefits;
36	101	*Emphasizes* that programme countries should have access to and benefit from the full range of mandates and resources of the United nations development system, whereby the national Governments should determine which resident and non-resident United Nations organizations will best respond to specific needs and priorities of the individual country, including in the case of non-resident agencies, through hosting arrangements with resident organizations, as appropriate;
37	104	*Requests* the Administrator of the United Nations Development Programme, in the exercise of responsibilities for the management of the resident coordinator system, which continues to be firmly anchored in the United Nations Development Programme:
38	104(a)	To establish appropriate mechanisms to ensure that the cost of the resident coordinator system does not reduce resources that are destined for development programmes in programme countries;
39	104(b)	To ensure, where possible, that cost savings, as a result of joint efforts and coordination, will accrue to development programmes;
40	105	*Recalls* the mandate of the United Nations Development Programme, within the existing programming arrangement, to appoint country directors to run its core activities, including fund-raising, so as to assure that resident coordinators are fully available for their tasks;

Expenditure Patterns

Based on 2009 Expenditures Table B-3 SG's Funding Report

with

Countries removed where total UN expenditure less than $1 million

Countries removed where not ODA eligible (OECD/DAC)

Countries removed where non-member states of UN

Regional and global expenditures removed

Programme Support costs removed

Management and administration costs removed

Other unclassified costs removed

Total Countries = 132

Total LDCs = 48

Total MICs = 84

all figures in thousands of current $US

Table 1

2009 Expenditure by Agency thousands of US $			
	Expenditures	% of total	Cumulative %
UNDP	3,640,485	25.0%	25.0%
WFP	3,474,546	23.9%	48.9%
UNICEF	2,688,287	18.5%	67.4%
UNHCR	1,399,733	9.6%	77.0%
WHO	757,150	5.2%	82.2%
FAO	500,366	3.4%	85.7%
UNFPA	449,500	3.1%	88.8%
IFAD	343,396	2.4%	91.1%
UNRWA	316,542	2.2%	93.3%
UNODC	134,581	0.9%	94.2%
ILO	127,553	0.9%	95.1%
UNESCO	99,664	0.7%	95.8%
UNIDO	93,094	0.6%	96.4%
ICAO	87,860	0.6%	97.0%
UNIFEM	81,961	0.6%	97.6%
OCHA	80,111	0.6%	98.2%
UNHabitat	79,438	0.5%	98.7%
UNAIDS	69,868	0.5%	99.2%
IAEA	43,111	0.3%	99.5%
Regional Comms. & UNDESA	24,798	0.2%	99.6%
UNCTAD	14,709	0.1%	99.7%
UNEP	10,218	0.1%	99.8%
WIPO	7,684	0.1%	99.9%
ITC	6,217	0.0%	99.9%
ITU	5,918	0.0%	100.0%
UNWTO	3,063	0.0%	100.0%
UNCDF	1,976	0.0%	100.0%
UNV	1,392	0.0%	100.0%
UPU	256	0.0%	100.0%
IMO	0	0.0%	100.0%
WMO	0	0.0%	100.0%
Total	14,543,478	100.0%	

Table 2

Total Operational Activities Expenditures - 2009			
	$	**% Total UN**	**Cumulative %**
UNDP	3,640,485	25.2%	25.2%
UNFPA	449,500	3.1%	28.3%
UNICEF	2,688,287	18.6%	46.9%
WFP	3,474,546	24.0%	70.9%
Sub-total ExCom	*10,252,818*	***70.9%***	***70.9%***
UNHCR	1,399,733	9.7%	80.6%
Sub-total ExCom + UNHCR	*11,652,551*		**80.6%**
WHO	757,150	5.2%	85.8%
Sub-total ExCom, UNHCR, WHO	*12,409,701*		***85.8%***
FAO	500,366	3.5%	89.3%
Sub-total ExCom, UNHCR, WHO, FAO	*13,166,850*		***89.3%***
Other Funds and Programmes: note a	711,685	4.9%	94.2%
Other Specialized agencies: note b	468,203	3.2%	97.4%
IFAD	343,396	2.4%	99.8%
Regional Commissions & UNDESA: note c	27,512	0.2%	100.0%
Sub-total	*1,550,796*	10.7%	
TOTAL	**14,460,862**	**100.0%**	
a/ Consists of ITC, OCHA, UNAIDS, UNCTAD, UNEP, UN-Habitat, UNODC, UNRWA			
b/ Consists of IAEA, ICAO, ILO, IMO, ITU, UNESCO, UNIDO, UPU, WIPO, WMO, UNWTO			
c/ Regional commissions consist of ECA, ECE, ECLAC, ESCAP, ESCWA.			
d/ figures will not fully reconcile with published amounts - see over-riding explanatory note for this paper			

Table 3

Total Development Expenditures - 2009 - (excludes humanitarian)			
Assumptions:			
WFP & UNHCR are totally humanitarian			
UNICEF broken out according to split provided			
	$	% Total UN	Cumulative %
UNDP	3,640,485	40.8%	40.8%
UNFPA	449,500	5.0%	45.8%
UNICEF	2,026,391	22.7%	68.5%
Sub-total ExCom	*6,116,376*	*68.5%*	*68.5%*
WHO	757,150	8.5%	77.0%
Sub-total ExCom + WHO	*6,873,526*		*77.0%*
FAO	500,366	5.6%	82.6%
Sub-total ExCom + WHO + FAO	*7,373,892*		*82.6%*
Other Funds and Programmes: note a	711,685	8.0%	90.6%
Other Specialized agencies: note b	468,203	5.2%	95.8%
IFAD	343,396	3.8%	99.7%
Regional Commissions & UNDESA: note c	27,512	0.3%	100.0%
Sub-total	*1,550,796*	17.4%	
TOTAL	**8,924,687**	**100.0%**	
a/ Consists of ITC, OCHA, UNAIDS, UNCTAD, UNEP, UN-Habitat, UNODC, UNRWA			
b/ Consists of IAEA, ICAO, ILO, IMO, ITU, UNESCO, UNIDO, UPU, WIPO, WMO, UNWTO			
c/ Regional commissions consist of ECA, ECE, ECLAC, ESCAP, ESCWA.			
d/ figures will not fully reconcile with published amounts - see over-riding explanatory note for this paper			

Table 4

Number of UN Programme Countries by % of ODA				
	Total UN and Total ODA		UN Development only and ODA minus UN Humanitarian	
	#	%	#	%
Number of countries where total UN is less than 10% of total ODA	49	37.4%	58	43.9%
Number of countries where total UN is 10-15% of total ODA	22	16.8%	26	19.7%
Number of countries where total UN exceeds 15% of total ODA	60	45.8%	48	36.4%
	131	100.0%	132	100.0%

note: UN Humanitarian total calculated by taking total UN Operational Activities and subtracting UNICEF humanitarian, and all of WFP, UNHCR, UNRWA and OCHA

note 2: one country falls out of the calculations due to negative total ODA

Table 5

Numbers of Countries by Total Size of UN Expenditures & Entities with Expenditures				
	Total UN Expenditures		UN Development only - humanitarian expenditures excluded	
	# of countries	Average # of Entities with Expenditures	# of countries	Average # of Entities with Expenditures
UN expenditures less than $20 million	38	9.3	43	10.0
UN expenditures between $20 million and $40 million	20	13.8	31	14.3
UN expenditures between $40 million and $60 million	16	16.1	16	17.2
UN expenditures between $60 million and $80 million	7	15.3	8	16.6
UN expenditures greater than $80 million	51	17.8	34	18.3
All countries	132	14.4	132	

Table 6

Expenditure Pattern - Total UN Operational Activities							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total UN Expenditures	Average Country Expenditure	Average Expenditure per Agency
less than $20 million	38	28.8%	9.3	392,422	2.7%	10,327	1,109
between $20 million and $40 million	20	15.2%	13.8	600,008	4.2%	30,000	2,182
between $40 million and $60 million	16	12.1%	16.1	797,012	5.5%	49,813	3,101
between $60 million and $80 million	7	5.3%	15.3	491,861	3.4%	70,266	4,597
greater than $80 million	51	38.6%	17.8	12,126,576	84.2%	237,776	13,370
total countries	132	100.0%	14.4	14,407,879	100.0%	109,151	7,583
total UN is less than 10% of total ODA	49	37.4%	12.9	2,155,560	15.0%	43,991	3,422
total UN is 10-15% of total ODA	22	16.8%	15.0	1,893,948	13.1%	86,089	5,757
total UN exceeds 15% of total ODA	60	45.8%	15.4	10,358,371	71.9%	172,640	11,191
total countries*	131	100.0%		14,407,879	100.0%		
* one country does not calculate due negative ODA							

Table 7

Expenditure Pattern - Total UN Development Spending (excluding humanitarian)							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total UN Expenditures	Average Country Expenditure	Average Expenditure per Agency
less than $20 million	43	32.6%	10.0	427,779	5.0%	9,948	999
between $20 million and $40 million	31	23.5%	14.3	930,639	11.0%	30,021	2,101
between $40 million and $60 million	16	12.1%	17.2	791,638	9.3%	49,477	2,877
between $60 million and $80 million	8	6.1%	16.6	547,579	6.5%	68,447	4,117
greater than $80 million	34	25.8%	18.3	5,777,325	68.2%	169,921	9,288
total countries	132	100.0%		8,474,960	100.0%	64,204	
total UN is less than 10% of total ODA	58	43.9%	13.5	2,416,226	28.5%	41,659	3,094
total UN is 10-15% of total ODA	26	19.7%	16.5	2,507,215	29.6%	96,431	5,851
total UN exceeds 15% of total ODA	48	36.4%	14.4	3,551,519	41.9%	73,990	5,128
total countries	132	100.0%		8,474,960	100.0%		

Table 8

Expenditure Pattern - UN Operational Activities Expenditures in LDCs							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total UN Expenditures	Average Country Expenditure	Average Expenditure per Agency
less than $20 million	11	22.9%	6.8	77,532	1.0%	7,048	1,034
between $20 million and $40 million	4	8.3%	13.5	128,646	1.7%	32,161	2,382
between $40 million and $60 million	4	8.3%	17.3	202,862	2.7%	50,716	2,940
between $60 million and $80 million	4	8.3%	16.0	281,202	3.7%	70,300	4,394
greater than $80 million	25	52.1%	17.5	6,910,636	90.9%	276,425	15,833
total countries	48	100.0%		7,600,878	100.0%		
total UN is less than 10% of total ODA	12	25.0%	11.4	584,377	7.7%	48,698	4,266
total UN is 10-15% of total ODA	6	12.5%	16.3	589,333	7.8%	98,222	6,014
total UN exceeds 15% of total ODA	30	62.5%	15.4	6,427,167	84.6%	214,239	13,912
total countries	48	100.0%		7,600,878	100.0%		

Table 9

Expenditure Pattern - Total UN Development Spending (excluding humanitarian) in LDCs							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total UN Expenditures	Average Country Expenditure	Average Expenditure per Agency
less than $20 million	13	27.1%	8.2	102,165	2.4%	7,859	955
between $20 million and $40 million	5	10.4%	14.4	166,473	4.0%	33,295	2,312
between $40 million and $60 million	8	16.7%	16.4	394,213	9.4%	49,277	3,009
between $60 million and $80 million	5	10.4%	17.6	344,710	8.2%	68,942	3,917
greater than $80 million	17	35.4%	17.6	3,201,299	76.1%	188,312	10,707
total countries	48	100.0%		4,208,859	100.0%		
total UN is less than 10% of total ODA	17	35.4%	13.4	922,664	21.9%	54,274	4,047
total UN is 10-15% of total ODA	10	20.8%	16.6	1,248,551	29.7%	124,855	7,521
total UN exceeds 15% of total ODA	21	43.8%	14.4	2,037,644	48.4%	97,031	6,725
total countries	48	100.0%		4,208,859	100.0%		

Table 10

Expenditure Pattern - UN Operational Activities Expenditures in MICs							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total UN Expenditures	Average Country Expenditure	Average Expenditure per Agency
less than $20 million	27	32.1%	11.2	314,889	4.6%	11,663	1,046
between $20 million and $40 million	16	19.0%	14.7	471,363	6.9%	29,460	2,000
between $40 million and $60 million	12	14.3%	15.7	594,150	8.7%	49,513	3,160
between $60 million and $80 million	3	3.6%	15.6	210,659	3.1%	70,220	4,510
greater than $80 million	26	31.0%	18.6	5,215,940	76.6%	200,613	10,758
total countries	84	100.0%		6,807,001	100.0%		
total UN is less than 10% of total ODA	37	44.6%	13.3	1,571,183	23.1%	42,464	3,187
total UN is 10-15% of total ODA	16	19.3%	14.4	1,304,615	19.2%	81,538	5,648
total UN exceeds 15% of total ODA	30	36.1%	15.5	3,931,203	57.8%	131,040	8,481
total countries*	83	100.0%		6,807,001	100.0%		
* one country does not calculate due negative ODA							

Table 11

Expenditure Pattern - Total UN Development Spending (excluding humanitarian) in MICs							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total UN Expenditures	Average Country Expenditure	Average Expenditure per Agency
less than $20 million	30	35.7%	10.7	325,615	7.6%	10,854	1,014
between $20 million and $40 million	26	31.0%	14.4	764,166	17.9%	29,391	2,035
between $40 million and $60 million	8	9.5%	17.0	397,425	9.3%	49,678	2,922
between $60 million and $80 million	3	3.6%	15.0	202,869	4.8%	67,623	4,508
greater than $80 million	17	20.2%	19.0	2,576,026	60.4%	151,531	7,975
total countries	84	100.0%		4,266,101	100.0%		
total UN is less than 10% of total ODA	41	48.8%	13.5	1,493,562	35.0%	36,428	2,701
total UN is 10-15% of total ODA	15	17.9%	16.4	1,258,664	29.5%	83,911	5,117
total UN exceeds 15% of total ODA	28	33.3%	14.4	1,513,875	35.5%	54,067	3,747
total countries*	84	100.0%		4,266,101	100.0%		
* one country does not calculate due negative ODA							

Table 12

Expenditure Pattern Comparison - Total UN Operational Activities - LDCs & MICs										
	# of countries		% of countries		Average number of entities present		Average Country Expenditure		Average Expenditure per Agency	
Category	LDCs	MICs	LDCs	MICs	LDCs	MICs	LDCs	MICs	LDCs	MICs
<20,000	11	27	22.9%	32.1%	6.8	11.2	7,048	11,663	1,034	1,046
20 - 40,000	4	16	8.3%	19.0%	13.5	14.7	32,161	29,460	2,382	2,000
40-60,000	4	12	8.3%	14.3%	17.3	15.7	50,716	49,513	2,940	3,160
60-=80,000	4	3	8.3%	3.6%	16.0	15.6	70,300	70,220	4,394	4,510
>80,000	25	26	52.1%	31.0%	17.5	18.6	276,425	200,613	15,833	10,758
	48	84	100.0%	100.0%						
<10% ODA	12	37	25.0%	44.6%	11.4	13.3	48,698	42,464	4,266	3,187
10-15% ODA	6	16	12.5%	19.3%	16.3	14.4	98,222	81,538	6,014	5,648
>15% ODA	30	30	62.5%	36.1%	15.4	15.5	214,239	131,040	13,912	8,481
	48	83	100.0%	100.0%						

Table 13

Number of Relationships – All Entities			
A relationship exists when an agency has an expenditure in a country			
	Total Relationships	Number of Countries	Average per Country
All countries	1901	132	14.4
LDCs	694	48	14.5
MICs	1207	84	14.4

Table 14

Number of Relationships - Entities with Smaller Expenditures			
Not included in this table: UNDP,UNICEF,UNFPA,WFP,UNHCR,WHO,FAO			
A relationship exists when an agency has an expenditure in a country			
	Total Relationships	Number of Countries	Average per Country
All countries	1121	132	8.5
LDCs	402	48	8.4
MICs	719	84	8.6

Table 15

Expenditure Pattern - Total UN Operational Activities - Entities with Smaller Expenditures							
Not included in this table: UNDP,UNICEF,UNFPA,WFP,UNHCR,WHO,FAO							
Included in this table:							
UNCDF,UNIFEM,UNV,IFAD,ITC,UNAIDS,UNCTAD,UNEP,UNHabitat,UNODC,UNRWA,IAWA,ICAO,ILO,IMO,ITU,UNESCO,UNIDO,UPU,WIPO,WMO,UNWTO,ECA,ECE,ECLAC,ESCAP,ESCWA,UNDESA,OCHA							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total	Average Country Expenditure	Average Expenditure per Agency
less than $5 million	66	50.0%	5.9	139,987	8.7%	2,121	357
between $5 million and $10 million	26	19.7%	9.6	185,168	11.5%	7,122	741
between $10 million and $15 million	14	10.6%	11.4	173,146	10.8%	12,368	1,082
between $15 million and $20 million	6	4.5%	11.7	104,735	6.5%	17,456	1,496
greater than $20 million	20	15.2%	12.5	1,001,790	62.4%	50,090	4,023
total countries	132	100.0%		1,604,828	100.0%	12,158	

Table 16

Expenditure Pattern – UN Operational Activities in LDCs – Entities with Smaller Expenditures							
Not included in this table: UNDP,UNICEF,UNFPA,WFP,UNHCR,WHO,FAO							
Included in this table:							
UNCDF,UNIFEM,UNV,IFAD,ITC,UNAIDS,UNCTAD,UNEP,UNHabitat,UNODC,UNRWA,IAWA,ICAO,ILO,IMO,ITU,UNESCO,UNIDO,UPU,WIPO,WMO,UNWTO,ECA,ECE,ECLAC,ESCAP,ESCWA,UNDESA,OCHA							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total	Average Country Expenditure	Average Expenditure per Agency
less than $5 million	21	43.8%	5.4	35,720	7.7%	1,701	313
between $5 million and $10 million	12	25.0%	9.6	82,129	17.8%	6,844	714
between $10 million and $15 million	7	14.6%	11.4	92,700	20.1%	13,243	1,159
between $15 million and $20 million	2	4.2%	11.5	36,003	7.8%	18,001	1,565
greater than $20 million	6	12.5%	11.7	215,193	46.6%	35,866	3,074
total countries	48	100.0%		461,745	100.0%	9,620	

Table 17

Expenditure Pattern - UN Operational Activities in MICs - Entities with Smaller Expenditures							
Not included in this table: UNDP,UNICEF,UNFPA,WFP,UNHCR,WHO,FAO							
Included in this table:							
UNCDF,UNIFEM,UNV,IFAD,ITC,UNAIDS,UNCTAD,UNEP,UNHabitat,UNODC,UNRWA,IAWA,ICAO,ILO,IMO,ITU,UNESCO,UNIDO,UPU,WIPO,WMO,UNWTO,ECA,ECE,ECLAC,ESCAP,ESCWA,UNDESA,OCHA							
Category	# of countries	% of countries	Average number of entities with expenditures	Total Expenditures	% of Total	Average Country Expenditure	Average Expenditure per Agency
less than $5 million	45	53.6%	6.2	104,267	22.6%	2,317	375
between $5 million and $10 million	14	16.7%	9.6	103,039	22.3%	7,360	763
between $10 million and $15 million	7	8.3%	11.4	80,446	17.4%	11,492	1,006
between $15 million and $20 million	4	4.8%	11.8	68,733	14.9%	17,183	1,462
greater than $20 million	14	16.7%	12.8	786,597	170.4%	56,185	4,394
total countries	84	100.0%		1,143,083	247.6%	13,608	

Table 18

		# of countries	% of countries	Total Expenditures	Average per Country	# of Entities	Spending per Agency
Summary of Smaller Agency where Total Disbursements less the $10 million							
Total Countries	132	92	69.7%	325,155	3,534	7.0	506
LDCs	48	33	68.8%	117,849	3,571	6.9	515
MICS	84	60	71.4%	224,581	3,743	7.1	528

Table 19

		Total Operational Activities			Development Activities		Humanitarian Activities	
Expenditure Analysis - LDCs								
Member States	Integrated Missions	$	% Total LDCs	Cumulative % Total LDCs	$	% Country Total Spending	$	% Country Total Spending
Sudan	IM	1,181,575	15.5%	15.5%	411,395	34.8%	770,179	65.2%
Afghanistan	IM	1,063,308	14.0%	29.5%	800,645	75.3%	262,663	24.7%
DR Congo	IM	693,005	9.1%	38.7%	382,926	55.3%	310,079	44.7%
Ethiopia		673,227	8.9%	47.5%	211,661	31.4%	461,566	68.6%
Somalia	IM	419,646	5.5%	53.0%	165,737	39.5%	253,909	60.5%
Chad	IM	315,671	4.2%	57.2%	75,699	24.0%	239,972	76.0%
Bangladesh		280,790	3.7%	60.9%	210,209	74.9%	70,581	25.1%
Uganda		249,981	3.3%	64.2%	106,797	42.7%	143,184	57.3%
Myanmar		180,754	2.4%	66.5%	100,501	55.6%	80,253	44.4%
Nepal	IM	167,666	2.2%	68.8%	87,852	52.4%	79,814	47.6%
Haiti	IM	153,064	2.0%	70.8%	81,078	53.0%	71,986	47.0%
Burundi	IM	140,928	1.9%	72.6%	65,061	46.2%	75,867	53.8%
Mozambique		140,634	1.9%	74.5%	109,513	77.9%	31,121	22.1%
Liberia	IM	126,446	1.7%	76.1%	90,961	71.9%	35,486	28.1%
Malawi		123,021	1.6%	77.8%	90,274	73.4%	32,747	26.6%
Cambodia		122,955	1.6%	79.4%	107,295	87.3%	15,660	12.7%
Yemen		113,701	1.5%	80.9%	49,723	43.7%	63,977	56.3%
Niger		113,363	1.5%	82.4%	80,171	70.7%	33,192	29.3%
Burkina Faso		110,339	1.5%	83.8%	80,158	72.6%	30,181	27.4%
Central Af.Rep.	IM	102,786	1.4%	85.2%	53,563	52.1%	49,223	47.9%
Rwanda		95,637	1.3%	86.4%	64,304	67.2%	31,333	32.8%
Angola		91,505	1.2%	87.6%	84,124	91.9%	7,381	8.1%
Sierra Leone	IM	85,513	1.1%	88.7%	66,970	78.3%	18,543	21.7%
Malawi		84,906	1.1%	89.9%	72,675	85.6%	12,231	14.4%
Zambia		80,214	1.1%	90.9%	50,940	63.5%	29,274	36.5%
Madagascar		79,809	1.0%	92.0%	56,643	71.0%	23,166	29.0%
Senegal		75,719	1.0%	93.0%	50,177	66.3%	25,542	33.7%
Eritrea		64,509	0.8%	93.8%	47,235	73.2%	17,274	26.8%
Guinea		61,165	0.8%	94.6%	40,826	66.7%	20,339	33.3%
Lao PDR		59,286	0.8%	95.4%	45,106	76.1%	14,180	23.9%
Mauritania		49,771	0.7%	96.1%	26,620	53.5%	23,150	46.5%
Timor Leste	IM	49,105	0.6%	96.7%	39,662	80.8%	9,442	19.2%
Benin		44,701	0.6%	97.3%	37,726	84.4%	6,975	15.6%
Togo		36,677	0.5%	97.8%	33,455	91.2%	3,222	8.8%
Guinea-Bissau	IM	35,681	0.5%	98.2%	29,009	81.3%	6,672	18.7%
Lesotho		28,335	0.4%	98.6%	19,204	67.8%	9,132	32.2%

Djibouti		27,952	0.4%	99.0%	13,083	46.8%	14,869	53.2%
Bhutan		16,068	0.2%	99.2%	13,851	86.2%	2,217	13.8%
Gambia		15,296	0.2%	99.4%	12,773	83.5%	2,523	16.5%
Maldives		10,515	0.1%	99.5%	8,887	84.5%	1,628	15.5%
Sao Tome / Principe		9,214	0.1%	99.7%	8,068	87.6%	1,146	12.4%
Comoros		8,876	0.1%	99.8%	8,827	99.4%	49	0.6%
Eq. Guinea		6,375	0.1%	99.9%	6,375	100.0%	0	0.0%
Samoa		4,635	0.1%	99.9%	4,635	100.0%	0	0.0%
Solomon Islands		3,254	0.0%	100.0%	3,254	100.0%	0	0.0%
Vanuatu		1,633	0.0%	100.0%	1,633	100.0%	0	0.0%
Kiribati		1,576	0.0%	100.0%	1,576	100.0%	0	0.0%
Tuvalu		91	0.0%	100.0%	0	0.0%	91	100.0%
		7,600,878			4,208,859	55.4%	3,392,019	44.6%

Comparison to Global UN Spending

…Total UN Development Spending	8,474,961	58.8%
…Total UN Humanitarian Spending	5,932,918	41.2%
…Total UN Operational Activities Spending	14,407,879	100.0%
		% of Global
Total UN Development Spending in LDCs	4,208,859	49.7%
Total UN Humanitarian Spending in LDCs	3,392,019	57.2%
Total UN Spending in LDCs	7,600,878	52.8%
		% of LDCs
Total UN Development Spending in IM/LDC Countries	2,350,560	55.8%
Total UN Humanitarian Spending in IM/LDC Countries	2,183,835	64.4%
Total UN Spending in IM/LDC Countries	4,534,395	59.7%

Table 20

Expenditure Analysis - Integrated Mission (IM) Countries							
Excluding non-member states Kosovo and Israel/oPt							
Excluding South Sudan - no 2009 data available							
		Total Operational Activities			Development Activities		Humanitarian Activities
Member States	Status	$	% Total IM Countries	Cumulative % Total IM Countries	$	% Country Total Spending	Humanitarian	% Humanitarian
Sudan	LDC	1,181,575	22.8%	22.8%	411,395	34.8%	770,179	65.2%
Afghanistan	LDC	1,063,308	20.5%	43.3%	800,645	75.3%	262,663	24.7%
D.R. Congo	LDC	693,005	13.4%	56.6%	382,926	55.3%	310,079	44.7%
Somalia	LDC	419,646	8.1%	64.7%	165,737	39.5%	253,909	60.5%
Chad	LDC	315,671	6.1%	70.8%	75,699	24.0%	239,972	76.0%
Iraq	MIC	311,632	6.0%	76.8%	155,932	50.0%	155,700	50.0%
Lebanon	MIC	201,177	3.9%	80.7%	66,050	32.8%	135,127	67.2%
Nepal	LDC	167,666	3.2%	83.9%	87,852	52.4%	79,814	47.6%
Haiti	LDC	153,064	3.0%	86.9%	81,078	53.0%	71,986	47.0%
Burundi	LDC	140,928	2.7%	89.6%	65,061	46.2%	75,867	53.8%
Cote d'Ivoire	MIC	126,901	2.4%	92.0%	96,745	76.2%	30,156	23.8%
Liberia	LDC	126,446	2.4%	94.5%	90,961	71.9%	35,486	28.1%
Central Af. Rep.	LDC	102,786	2.0%	96.5%	53,563	52.1%	49,223	47.9%
Sierra Leone	LDC	85,513	1.6%	98.1%	66,970	78.3%	18,543	21.7%
Timor-Leste	LDC	49,105	0.9%	99.1%	39,662	80.8%	9,442	19.2%
Guinea-Bissau	LDC	35,681	0.7%	99.7%	29,009	81.3%	6,672	18.7%
Libya	MIC	13,594	0.3%	100.0%	9,537	70.2%	4,057	29.8%
Total countries	17	5,187,700			2,678,825	51.6%	2,508,876	48.4%
...Total LDCs	13	4,534,395						
...Total MICs	4	653,305						

Comparison to Global UN Spending		
...Total UN Development Spending	8,474,961	58.8%
...Total UN Humanitarian Spending	5,932,918	41.2%
...Total UN Operational Activities Spending	14,407,879	100.0%
		% of Global
Total UN Development Spending in IM Countries	2,678,825	31.6%
Total UN Humanitarian Spending in IM Countries	2,508,876	42.3%
Total UN Spending in IM Countries	5,187,700	36.0%

Table 21

Expenditure Analysis - LDCs that are not Integrated Missions						
	Total Operational Activities			Development Activities		Humanitarian Activities	
Member States	$	% Total non-IM LDCs	Cumulative % Total LDCs	$	% Country Total Spending	$	% Country Total Spending
Ethiopia	673,227	22.0%	22.0%	211,661	31.4%	461,566	68.6%
Bangladesh	280,790	9.2%	31.1%	210,209	74.9%	70,581	25.1%
Uganda	249,981	8.2%	39.3%	106,797	42.7%	143,184	57.3%
Myanmar	180,754	5.9%	45.2%	100,501	55.6%	80,253	44.4%
Mozambique	140,634	4.6%	49.7%	109,513	77.9%	31,121	22.1%
Malawi	123,021	4.0%	53.8%	90,274	73.4%	32,747	26.6%
Cambodia	122,955	4.0%	57.8%	107,295	87.3%	15,660	12.7%
Yemen	113,701	3.7%	61.5%	49,723	43.7%	63,977	56.3%
Niger	113,363	3.7%	65.2%	80,171	70.7%	33,192	29.3%
Burkina Faso	110,339	3.6%	68.8%	80,158	72.6%	30,181	27.4%
Rwanda	95,637	3.1%	71.9%	64,304	67.2%	31,333	32.8%
Angola	91,505	3.0%	74.9%	84,124	91.9%	7,381	8.1%
Malawi	84,906	2.8%	77.6%	72,675	85.6%	12,231	14.4%
Zambia	80,214	2.6%	80.3%	50,940	63.5%	29,274	36.5%
Madagascar	79,809	2.6%	82.9%	56,643	71.0%	23,166	29.0%
Senegal	75,719	2.5%	85.3%	50,177	66.3%	25,542	33.7%
Eritrea	64,509	2.1%	87.4%	47,235	73.2%	17,274	26.8%
Guinea	61,165	2.0%	89.4%	40,826	66.7%	20,339	33.3%
Lao PDR	59,286	1.9%	91.4%	45,106	76.1%	14,180	23.9%
Mauritania	49,771	1.6%	93.0%	26,620	53.5%	23,150	46.5%
Benin	44,701	1.5%	94.4%	37,726	84.4%	6,975	15.6%
Togo	36,677	1.2%	95.6%	33,455	91.2%	3,222	8.8%
Lesotho	28,335	0.9%	96.6%	19,204	67.8%	9,132	32.2%
Djibouti	27,952	0.9%	97.5%	13,083	46.8%	14,869	53.2%
Bhutan	16,068	0.5%	98.0%	13,851	86.2%	2,217	13.8%
Gambia	15,296	0.5%	98.5%	12,773	83.5%	2,523	16.5%
Maldives	10,515	0.3%	98.8%	8,887	84.5%	1,628	15.5%
Sao Tome / Principe	9,214	0.3%	99.1%	8,068	87.6%	1,146	12.4%
Comoros	8,876	0.3%	99.4%	8,827	99.4%	49	0.6%
Eq. Guinea	6,375	0.2%	99.6%	6,375	100.0%	0	0.0%
Samoa	4,635	0.2%	99.8%	4,635	100.0%	0	0.0%
Solomon Islands	3,254	0.1%	99.9%	3,254	100.0%	0	0.0%
Vanuatu	1,633	0.1%	99.9%	1,633	100.0%	0	0.0%
Kiribati	1,576	0.1%	100.0%	1,576	100.0%	0	0.0%
Tuvalu	91	0.0%	100.0%	0	0.0%	91	100.0%
	3,066,483			1,858,299	60.6%	1,208,184	39.4%

Comparison to Global UN Spending		
…Total UN Development Spending	8,474,961	58.8%
…Total UN Humanitarian Spending	5,932,918	41.2%
…Total UN Operational Activities Spending	14,407,879	100.0%
		% of Global
Total UN Development Spending in LDCs not Integrated Missions	1,858,299	21.9%
Total UN Humanitarian Spending in LDCs not Integrated Missions	1,208,184	20.4%
Total UN Spending in LDCs not Integrated Missions	3,066,483	21.3%
Comparison to UN Spending in LDCs		
Total UN Development Spending in LDCs	4,208,859	55.4%
Total UN Humanitarian Spending in LDCs	3,392,019	44.6%
Total UN Spending in LDCs	7,600,878	100.0%
		% of LDCs
Total UN Development Spending in LDCs not Integrated Missions	1,858,299	44.2%
Total UN Humanitarian Spending in LDCs not Integrated Missions	1,208,184	35.6%
Total UN Spending in LDCs not Integrated Missions	3,066,483	40.3%

Table 22

Summary Breakout by Type of Country and Type of Expenditure														
	Global		**MICs**		**LDCs**									
			84 countries		All LDCS - 48 countries			LDC & IM - 13 countries*			LDC not IM - 35 countries			
	$	%	$	% Global	$	% Global	% LDCs	$	% Global	% LDCs	$	% Global	% LDCs	
Development	8,474,961	58.8%	4,266,101	50.3%	4,208,859	49.7%	55.4%	2,350,560	27.7%	55.8%	1,858,299	21.9%	44.2%	
Humanitarian	5,932,918	41.2%	2,540,900	42.8%	3,392,019	57.2%	44.6%	2,183,835	36.8%	64.4%	1,208,184	20.4%	35.6%	
Total	14,407,879	100.0%	6,807,001	47.2%	7,600,878	52.8%	100.0%	4,534,395	31.5%	59.7%	3,066,483	21.3%	40.3%	
*IM = Integrated Mission Country														

Table 23

	Agency Shares of Total ODA in LDCs										
	includes humanitarian expenditures and local resources										
	listed from highest to lowest share of total UN as % of total ODA										
	all figures are percentages of total ODA for the country										

Country	UN activities share total ODA (%)	UNDP	UNFPA	UNICEF	WFP	UNHCR	Other UN Funds & Programs	WHO	FAO	IFAD	Other Specialized agencies	Reg. Comms. + DESA
Somalia	63.4	9.0	0.5	13.2	28.1	3.5	1.7	2.7	4.3	0.0	0.5	0.0
Chad	56.2	3.0	1.8	6.7	22.3	17.2	1.0	2.5	1.2	0.5	0.0	0.0
Sudan	51.6	9.0	0.9	7.0	25.4	3.9	0.8	2.0	1.8	0.5	0.3	0.0
Myanmar	50.6	9.6	2.4	17.7	9.4	2.9	2.0	4.1	2.0	0.0	0.4	0.0
Eritrea	44.6	15.1	3.2	17.8	0.2	2.7	0.6	2.1	1.2	1.3	0.3	0.0
Central African Rep.	43.4	10.5	1.7	8.1	14.5	2.4	1.1	1.5	3.1	0.0	0.5	0.0
Angola	38.2	8.7	0.9	18.6	0.4	2.0	0.6	5.5	1.2	0.0	0.3	0.0
Maldives	31.6	14.7	1.5	9.3	0.0	0.0	0.7	5.1	0.0	0.2	0.0	0.0
Sao Tome and Principe	30.0	13.4	2.3	3.1	3.7	0.0	1.4	2.5	0.0	3.2	0.4	0.0
Dem Rep of the Congo	29.4	7.9	0.7	7.7	6.6	3.1	0.6	1.2	1.4	0.1	0.1	0.0
Guinea	28.5	4.0	1.8	7.7	5.3	3.1	0.9	2.5	1.4	1.7	0.2	0.0
Burundi	25.7	4.6	0.7	4.0	6.7	6.3	0.1	0.5	1.8	0.7	0.1	0.0
Liberia	25.0	12.2	1.1	3.6	3.9	2.2	0.2	0.7	0.7	0.0	0.5	0.0
Guinea-Bissau	24.5	8.4	2.3	6.5	3.5	0.0	1.1	0.9	1.8	0.0	0.1	0.0
Niger	24.1	3.5	1.2	9.2	5.1	0.0	0.5	2.1	1.7	0.5	0.4	0.0
Lesotho	23.0	3.0	1.5	5.5	6.7	0.0	1.0	1.4	2.5	1.0	0.3	0.0
Bangladesh	22.9	6.1	0.7	6.1	4.8	0.5	0.5	1.7	0.7	1.1	0.6	0.0
Yemen	22.8	2.9	1.1	3.3	5.7	6.1	0.1	1.1	0.1	2.0	0.4	0.0
Timor-Leste	22.7	8.8	1.4	3.4	4.0	0.1	0.0	0.8	1.4	0.0	2.8	0.0
Equatorial Guinea	20.2	8.2	4.1	3.0	0.0	0.0	0.0	2.9	2.1	0.0	0.0	0.0
Nepal	19.6	4.3	0.6	2.6	7.6	1.2	0.5	1.3	0.6	0.3	0.6	0.0
Sierra Leone	19.6	5.0	1.8	6.3	3.2	1.0	0.4	0.6	0.8	0.1	0.3	0.0
Madagascar	17.9	2.0	1.2	7.1	3.8	0.0	0.2	0.5	0.5	1.3	1.5	0.0
Ethiopia	17.6	0.9	0.4	3.6	10.0	1.0	0.1	0.7	0.3	0.0	0.3	0.0
Comoros	17.5	7.9	2.0	4.4	0.0	0.0	0.2	2.5	0.5	0.0	0.0	0.0
Mauritania	17.4	2.2	1.3	3.1	3.4	4.1	0.2	0.5	0.6	1.6	0.2	0.0
Djibouti	17.2	1.2	1.0	4.2	4.3	4.0	0.1	1.2	0.3	0.3	0.5	0.0
Afghanistan	17.1	8.8	0.1	1.7	3.0	0.8	0.9	0.7	0.5	0.0	0.3	0.0
Cambodia	17.0	5.3	0.8	3.2	2.0	0.1	0.3	1.0	0.5	0.3	0.6	2.9
Malawi	15.9	3.9	0.8	5.3	3.7	0.3	0.2	0.4	0.7	0.4	0.2	0.0
Lao People's Dem Republic	14.1	3.8	0.5	3.5	2.9	0.0	0.7	1.4	0.2	0.9	0.2	0.0
Uganda	14.0	0.9	0.7	2.7	5.1	1.9	0.2	0.7	0.7	0.8	0.2	0.0
Haiti	13.7	3.2	0.5	1.8	5.7	0.0	0.2	0.2	1.2	0.7	0.2	0.0

Bhutan	12.8	3.6	0.8	4.1	1.5	0.0	0.0	1.1	0.1	1.4	0.1	0.0
Gambia	11.9	2.9	0.8	2.9	1.7	0.2	0.3	0.9	0.8	1.5	0.0	0.0
Rwanda	10.2	1.8	0.5	2.3	2.2	1.2	0.2	0.3	0.3	0.8	0.1	0.0
Burkina Faso	10.2	1.7	0.6	3.6	2.2	0.0	0.1	0.5	1.0	0.4	0.1	0.0
Mali	8.6	2.7	0.5	3.0	1.0	0.0	0.1	0.3	0.3	0.3	0.5	0.0
Senegal	7.4	1.6	0.2	1.3	1.1	1.3	0.0	0.3	0.1	0.4	0.4	0.0
Togo	7.3	2.9	0.4	2.3	0.3	0.2	0.1	0.6	0.3	0.0	0.2	0.1
Mozambique	7.0	0.9	0.7	2.8	1.4	0.1	0.1	0.2	0.4	0.1	0.4	0.0
Benin	6.5	1.6	0.4	2.4	0.7	0.2	0.2	0.5	0.1	0.3	0.1	0.0
Zambia	6.3	0.8	0.4	1.7	1.3	0.9	0.1	0.2	0.4	0.2	0.3	0.0
Samoa	6.0	4.3	0.0	0.0	0.0	0.0	0.0	1.5	0.1	0.0	0.0	0.0
Kiribati	5.8	0.0	0.0	0.0	0.0	0.0	0.1	2.3	0.0	0.0	3.4	0.0
Vanuatu	1.6	0.0	0.0	0.0	0.0	0.0	0.0	1.6	0.0	0.0	0.0	0.0
Solomon Islands	1.6	0.7	0.0	0.0	0.0	0.0	0.0	0.9	0.0	0.0	0.0	0.0
Tuvalu	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0
TOTAL	20.4	9.8	0.6	4.2	6.3	1.6	0.6	2.0	1.3	0.3	1.3	0.1

Table 24

Expenditure Analysis - MICs						
	Total Operational Activities			Development Activities		Humanitarian Activities
	$	% Total MICS	Cumulative % Total MICS	$	% Country Expenditures	$	% Country Expenditures
Pakistan	585,636	8.6%	8.6%	193,386	33.0%	392,250	67.0%
Kenya	463,618	6.8%	15.4%	119,280	25.7%	344,338	74.3%
Zimbabwe	343,241	5.0%	20.5%	138,868	40.5%	204,373	59.5%
Iraq	311,632	4.6%	25.0%	155,932	50.0%	155,700	50.0%
India	267,477	3.9%	29.0%	252,004	94.2%	15,473	5.8%
Indonesia	246,919	3.6%	32.6%	185,280	75.0%	61,639	25.0%
Brazil	222,076	3.3%	35.9%	218,185	98.2%	3,891	1.8%
Syrian Arab Republic	213,799	3.1%	39.0%	27,518	12.9%	186,281	87.1%
Nigeria	211,328	3.1%	42.1%	208,656	98.7%	2,672	1.3%
Jordan	202,828	3.0%	45.1%	23,098	11.4%	179,730	88.6%
Lebanon	201,177	3.0%	48.0%	66,050	32.8%	135,127	67.2%
Colombia	198,590	2.9%	51.0%	149,031	75.0%	49,559	25.0%
Sri Lanka	186,430	2.7%	53.7%	59,628	32.0%	126,802	68.0%
China	184,507	2.7%	56.4%	166,453	90.2%	18,055	9.8%
United Rep of Tanzania	163,446	2.4%	58.8%	90,190	55.2%	73,256	44.8%
Argentina	158,024	2.3%	61.1%	153,469	97.1%	4,555	2.9%
Panama	150,535	2.2%	63.3%	148,047	98.3%	2,489	1.7%
Peru	137,826	2.0%	65.4%	110,336	80.1%	27,490	19.9%
Cote d'Ivoire	126,901	1.9%	67.2%	96,745	76.2%	30,156	23.8%
Egypt	121,958	1.8%	69.0%	106,648	87.4%	15,309	12.6%
Philippines	93,821	1.4%	70.4%	51,818	55.2%	42,003	44.8%
Honduras	90,444	1.3%	71.7%	62,459	69.1%	27,985	30.9%
Guatemala	84,479	1.2%	73.0%	74,360	88.0%	10,119	12.0%
Viet Nam	83,911	1.2%	74.2%	83,517	99.5%	395	0.5%
Ecuador	83,716	1.2%	75.4%	34,339	41.0%	49,377	59.0%
Georgia	81,618	1.2%	76.6%	29,670	36.4%	51,947	63.6%
Dem People's Rep of Korea	76,379	1.1%	77.7%	34,866	45.6%	41,513	54.4%
Ghana	69,625	1.0%	78.8%	51,109	73.4%	18,516	26.6%
Tajikistan	64,655	0.9%	79.7%	44,952	69.5%	19,702	30.5%
Mexico	57,068	0.8%	80.6%	54,312	95.2%	2,757	4.8%
Cameroon	57,029	0.8%	81.4%	35,851	62.9%	21,178	37.1%
Nicaragua	56,231	0.8%	82.2%	46,400	82.5%	9,831	17.5%
Bolivia	53,783	0.8%	83.0%	47,811	88.9%	5,972	11.1%
South Africa	52,741	0.8%	83.8%	41,395	78.5%	11,346	21.5%
Thailand	47,809	0.7%	84.5%	33,215	69.5%	14,594	30.5%
El Salvador	47,645	0.7%	85.2%	31,515	66.1%	16,130	33.9%
Iran, Islamic Republic	46,324	0.7%	85.9%	27,827	60.1%	18,497	39.9%

Serbia	46,137	0.7%	86.5%	22,940	49.7%	23,197	50.3%
Turkey	45,955	0.7%	87.2%	38,731	84.3%	7,224	15.7%
Ukraine	42,520	0.6%	87.8%	39,071	91.9%	3,449	8.1%
Bosnia and Herzegovina	40,907	0.6%	88.4%	35,059	85.7%	5,848	14.3%
Congo	39,676	0.6%	89.0%	27,692	69.8%	11,984	30.2%
Morocco	38,734	0.6%	89.6%	37,157	95.9%	1,577	4.1%
Uruguay	36,406	0.5%	90.1%	36,406	100.0%	0	0.0%
Algeria	35,981	0.5%	90.7%	6,458	17.9%	29,523	82.1%
Kyrgyzstan	33,604	0.5%	91.2%	24,772	73.7%	8,832	26.3%
Cuba	31,856	0.5%	91.6%	26,617	83.6%	5,239	16.4%
Venezuela	30,915	0.5%	92.1%	26,714	86.4%	4,201	13.6%
Fiji	29,055	0.4%	92.5%	28,497	98.1%	559	1.9%
Uzbekistan	28,266	0.4%	92.9%	27,842	98.5%	424	1.5%
Namibia	27,895	0.4%	93.3%	24,150	86.6%	3,746	13.4%
Republic of Moldova	26,396	0.4%	93.7%	25,200	95.5%	1,196	4.5%
Kazakhstan	23,836	0.4%	94.1%	21,523	90.3%	2,313	9.7%
Papua New Guinea	23,380	0.3%	94.4%	22,206	95.0%	1,173	5.0%
Azerbaijan	23,107	0.3%	94.8%	18,619	80.6%	4,487	19.4%
Paraguay	21,689	0.3%	95.1%	21,689	100.0%	0	0.0%
Dominican Republic	20,566	0.3%	95.4%	19,642	95.5%	924	4.5%
Swaziland	19,933	0.3%	95.7%	15,433	77.4%	4,500	22.6%
Costa Rica	19,691	0.3%	96.0%	16,973	86.2%	2,718	13.8%
Botswana	19,582	0.3%	96.2%	17,223	88.0%	2,359	12.0%
Albania	19,343	0.3%	96.5%	18,744	96.9%	599	3.1%
Chile	18,316	0.3%	96.8%	18,316	100.0%	0	0.0%
Mongolia	17,775	0.3%	97.1%	17,288	97.3%	487	2.7%
Gabon	16,987	0.2%	97.3%	14,835	87.3%	2,152	12.7%
Armenia	16,880	0.2%	97.6%	14,567	86.3%	2,313	13.7%
The FYR of Macedonia	16,877	0.2%	97.8%	14,142	83.8%	2,735	16.2%
Belarus	15,922	0.2%	98.0%	14,477	90.9%	1,446	9.1%
Malaysia	14,421	0.2%	98.2%	8,043	55.8%	6,379	44.2%
Libyan Arab Jamahiriya	13,594	0.2%	98.4%	9,537	70.2%	4,057	29.8%
Tunisia	13,350	0.2%	98.6%	12,702	95.1%	648	4.9%
Barbados	12,611	0.2%	98.8%	12,561	99.6%	50	0.4%
Cape Verde	11,412	0.2%	99.0%	11,031	96.7%	381	3.3%
Montenegro	11,304	0.2%	99.2%	8,847	78.3%	2,458	21.7%
Mauritius	10,538	0.2%	99.3%	10,538	100.0%	0	0.0%
Guyana	10,253	0.2%	99.5%	10,253	100.0%	0	0.0%
Jamaica	8,782	0.1%	99.6%	8,769	99.9%	13	0.1%
Turkmenistan	7,662	0.1%	99.7%	6,961	90.9%	700	9.1%
Belize	4,462	0.1%	99.8%	4,462	100.0%	0	0.0%
Oman	3,759	0.1%	99.8%	3,759	100.0%	0	0.0%
Grenada	3,507	0.1%	99.9%	3,507	100.0%	0	0.0%
Trinidad and Tobago	3,218	0.0%	99.9%	3,218	100.0%	0	0.0%

Suriname	1,831	0.0%	100.0%	1,831	100.0%	0	0.0%
Seychelles	1,779	0.0%	100.0%	1,779	100.0%	0	0.0%
Dominica	1,101	0.0%	100.0%	1,101	100.0%	0	0.0%
Totals	6,807,001	100.0%		4,266,101	62.7%	2,540,900	37.3%

Table 25

	Total Operational Activities			Local Resources	
Expenditure Analysis - MICs					
listed high to low - % of expenditures from local resources					
	$	% Total MICS	Cumulative % Total MICS	$	% Country Expenditures
Panama	150,535	2.2%	2.2%	140,233	93.2%
Argentina	158,024	2.3%	4.5%	136,263	86.2%
Brazil	222,076	3.3%	7.8%	156,038	70.3%
Paraguay	21,689	0.3%	8.1%	13,337	61.5%
Peru	137,826	2.0%	10.1%	82,875	60.1%
Seychelles	1,779	0.0%	10.2%	1,036	58.2%
Trinidad and Tobago	3,218	0.0%	10.2%	1,860	57.8%
Colombia	198,590	2.9%	13.1%	110,223	55.5%
Egypt	121,958	1.8%	14.9%	63,109	51.7%
Chile	18,316	0.3%	15.2%	8,890	48.5%
Suriname	1,831	0.0%	15.2%	889	48.5%
Uruguay	36,406	0.5%	15.8%	17,618	48.4%
Libyan Arab Jamahiriya	13,594	0.2%	16.0%	6,105	44.9%
Venezuela	30,915	0.5%	16.4%	13,495	43.7%
Costa Rica	19,691	0.3%	16.7%	7,754	39.4%
Mexico	57,068	0.8%	17.5%	21,665	38.0%
Honduras	90,444	1.3%	18.9%	34,074	37.7%
Azerbaijan	23,107	0.3%	19.2%	7,274	31.5%
Morocco	38,734	0.6%	19.8%	10,587	27.3%
Botswana	19,582	0.3%	20.1%	5,297	27.0%
Dominican Republic	20,566	0.3%	20.4%	5,173	25.2%
Turkey	45,955	0.7%	21.0%	10,077	21.9%
Bolivia	53,783	0.8%	21.8%	11,113	20.7%
El Salvador	47,645	0.7%	22.5%	8,321	17.5%
Guatemala	84,479	1.2%	23.8%	14,748	17.5%
Belize	4,462	0.1%	23.8%	736	16.5%
Gabon	16,987	0.2%	24.1%	2,509	14.8%
Turkmenistan	7,662	0.1%	24.2%	1,099	14.3%
Oman	3,759	0.1%	24.2%	512	13.6%
Nicaragua	56,231	0.8%	25.1%	6,898	12.3%
Ecuador	83,716	1.2%	26.3%	10,200	12.2%
Lebanon	201,177	3.0%	29.3%	17,022	8.5%
Congo	39,676	0.6%	29.8%	2,684	6.8%
China	184,507	2.7%	32.6%	12,419	6.7%
Namibia	27,895	0.4%	33.0%	1,785	6.4%
Malaysia	14,421	0.2%	33.2%	664	4.6%

Tunisia	13,350	0.2%	33.4%	581	4.4%
Cote d'Ivoire	126,901	1.9%	35.2%	4,917	3.9%
South Africa	52,741	0.8%	36.0%	1,950	3.7%
Albania	19,343	0.3%	36.3%	659	3.4%
Nigeria	211,328	3.1%	39.4%	5,306	2.5%
Georgia	81,618	1.2%	40.6%	1,864	2.3%
Philippines	93,821	1.4%	42.0%	2,087	2.2%
Cameroon	57,029	0.8%	42.8%	1,206	2.1%
Syrian Arab Republic	213,799	3.1%	46.0%	4,170	2.0%
Armenia	16,880	0.2%	46.2%	322	1.9%
Bosnia and Herzegovina	40,907	0.6%	46.8%	743	1.8%
Tajikistan	64,655	0.9%	47.8%	1,119	1.7%
Montenegro	11,304	0.2%	47.9%	189	1.7%
Mauritius	10,538	0.2%	48.1%	174	1.7%
Swaziland	19,933	0.3%	48.4%	298	1.5%
Kazakhstan	23,836	0.4%	48.7%	322	1.4%
Thailand	47,809	0.7%	49.4%	631	1.3%
Uzbekistan	28,266	0.4%	49.8%	362	1.3%
Iran, Islamic Republic	46,324	0.7%	50.5%	483	1.0%
Ukraine	42,520	0.6%	51.1%	394	0.9%
Pakistan	585,636	8.6%	59.7%	5,303	0.9%
Indonesia	246,919	3.6%	63.4%	2,219	0.9%
Republic of Moldova	26,396	0.4%	63.8%	234	0.9%
Iraq	311,632	4.6%	68.3%	2,225	0.7%
Jordan	202,828	3.0%	71.3%	1,434	0.7%
Belarus	15,922	0.2%	71.6%	84	0.5%
Algeria	35,981	0.5%	72.1%	180	0.5%
Serbia	46,137	0.7%	72.8%	188	0.4%
Cuba	31,856	0.5%	73.2%	126	0.4%
VietNam	83,911	1.2%	74.5%	317	0.4%
Cape Verde	11,412	0.2%	74.6%	40	0.4%
Sri Lanka	186,430	2.7%	77.4%	387	0.2%
India	267,477	3.9%	81.3%	539	0.2%
Papua New Guinea	23,380	0.3%	81.6%	45	0.2%
Ghana	69,625	1.0%	82.7%	108	0.2%
Fiji	29,055	0.4%	83.1%	39	0.1%
Dem People's Rep of Korea	76,379	1.1%	84.2%	101	0.1%
Zimbabwe	343,241	5.0%	89.3%	345	0.1%
Kenya	463,618	6.8%	96.1%	211	0.0%
United Rep of Tanzania	163,446	2.4%	98.5%	61	0.0%
The FYR of Macedonia	16,877	0.2%	98.7%	4	0.0%
Mongolia	17,775	0.3%	99.0%	4	0.0%
Barbados	12,611	0.2%	99.2%	1	0.0%
Guyana	10,253	0.2%	99.3%	0	0.0%

	1,101	0.0%	99.3%	0	0.0%
Dominica	1,101	0.0%	99.3%	0	0.0%
Grenada	3,507	0.1%	99.4%	0	0.0%
Kyrgyzstan	33,604	0.5%	99.9%	0	0.0%
Jamaica	8,782	0.1%	100.0%	-7	-0.1%
Totals	6,807,001	100.0%		986,556	14.5%

Table 26

Expenditure Analysis - MICs						
listed high to low - % of total MIC expenditures excluding humanitarian and local resources						
	Total Operational Activities			Operational Activities minus local and humanitarian		
	$	% Total MICS	Cumulative % Total MICS	$	% Country Expenditures	% of total MIC expenditures minus humanitarian and local	Cumulative % of total MIC expenditures minus humanitarian and local
India	267,477	3.9%	3.9%	251,465	94.0%	7.7%	7.7%
Nigeria	211,328	3.1%	7.0%	203,350	96.2%	6.2%	13.9%
Pakistan	585,636	8.6%	15.6%	188,083	32.1%	5.7%	19.6%
Indonesia	246,919	3.6%	19.3%	183,061	74.1%	5.6%	25.2%
China	184,507	2.7%	22.0%	154,033	83.5%	4.7%	29.9%
Iraq	311,632	4.6%	26.6%	153,707	49.3%	4.7%	34.6%
Zimbabwe	343,241	5.0%	31.6%	138,523	40.4%	4.2%	38.8%
Kenya	463,618	6.8%	38.4%	119,068	25.7%	3.6%	42.4%
Cote d'Ivoire	126,901	1.9%	40.3%	91,828	72.4%	2.8%	45.2%
United Rep of Tanzania	163,446	2.4%	42.7%	90,129	55.1%	2.7%	48.0%
Viet Nam	83,911	1.2%	43.9%	83,199	99.2%	2.5%	50.5%
Brazil	222,076	3.3%	47.2%	62,147	28.0%	1.9%	52.4%
Guatemala	84,479	1.2%	48.4%	59,612	70.6%	1.8%	54.2%
Sri Lanka	186,430	2.7%	51.1%	59,241	31.8%	1.8%	56.0%
Ghana	69,625	1.0%	52.2%	51,002	73.3%	1.6%	57.6%
Philippines	93,821	1.4%	53.5%	49,730	53.0%	1.5%	59.1%
Lebanon	201,177	3.0%	56.5%	49,028	24.4%	1.5%	60.6%
Tajikistan	64,655	0.9%	57.5%	43,834	67.8%	1.3%	61.9%
Egypt	121,958	1.8%	59.2%	43,539	35.7%	1.3%	63.3%
Nicaragua	56,231	0.8%	60.1%	39,502	70.3%	1.2%	64.5%
South Africa	52,741	0.8%	60.8%	39,445	74.8%	1.2%	65.7%
Colombia	198,590	2.9%	63.8%	38,808	19.5%	1.2%	66.8%
Ukraine	42,520	0.6%	64.4%	38,677	91.0%	1.2%	68.0%
Bolivia	53,783	0.8%	65.2%	36,698	68.2%	1.1%	69.1%

Dem People's Rep of Korea	76,379	1.1%	66.3%	34,765	45.5%	1.1%	70.2%
Cameroon	57,029	0.8%	67.1%	34,644	60.7%	1.1%	71.3%
Bosnia and Herzegovina	40,907	0.6%	67.7%	34,316	83.9%	1.0%	72.3%
Mexico	57,068	0.8%	68.6%	32,646	57.2%	1.0%	73.3%
Thailand	47,809	0.7%	69.3%	32,584	68.2%	1.0%	74.3%
Turkey	45,955	0.7%	70.0%	28,653	62.4%	0.9%	75.2%
Fiji	29,055	0.4%	70.4%	28,458	97.9%	0.9%	76.0%
Honduras	90,444	1.3%	71.7%	28,385	31.4%	0.9%	76.9%
Georgia	81,618	1.2%	72.9%	27,807	34.1%	0.8%	77.8%
Uzbekistan	28,266	0.4%	73.3%	27,480	97.2%	0.8%	78.6%
Peru	137,826	2.0%	75.3%	27,461	19.9%	0.8%	79.4%
Iran, Islamic Republic	46,324	0.7%	76.0%	27,344	59.0%	0.8%	80.3%
Morocco	38,734	0.6%	76.6%	26,569	68.6%	0.8%	81.1%
Cuba	31,856	0.5%	77.1%	26,492	83.2%	0.8%	81.9%
Congo	39,676	0.6%	77.7%	25,008	63.0%	0.8%	82.6%
Republic of Moldova	26,396	0.4%	78.0%	24,966	94.6%	0.8%	83.4%
Kyrgyzstan	33,604	0.5%	78.5%	24,772	73.7%	0.8%	84.2%
Ecuador	83,716	1.2%	79.8%	24,139	28.8%	0.7%	84.9%
Syrian Arab Republic	213,799	3.1%	82.9%	23,348	10.9%	0.7%	85.6%
El Salvador	47,645	0.7%	83.6%	23,193	48.7%	0.7%	86.3%
Serbia	46,137	0.7%	84.3%	22,752	49.3%	0.7%	87.0%
Namibia	27,895	0.4%	84.7%	22,364	80.2%	0.7%	87.7%
Papua New Guinea	23,380	0.3%	85.0%	22,162	94.8%	0.7%	88.4%
Jordan	202,828	3.0%	88.0%	21,664	10.7%	0.7%	89.0%
Kazakhstan	23,836	0.4%	88.4%	21,201	88.9%	0.6%	89.7%
Uruguay	36,406	0.5%	88.9%	18,788	51.6%	0.6%	90.2%
Albania	19,343	0.3%	89.2%	18,085	93.5%	0.6%	90.8%
Mongolia	17,775	0.3%	89.4%	17,284	97.2%	0.5%	91.3%
Argentina	158,024	2.3%	91.8%	17,206	10.9%	0.5%	91.8%
Swaziland	19,933	0.3%	92.1%	15,135	75.9%	0.5%	92.3%
Dominican Republic	20,566	0.3%	92.4%	14,469	70.4%	0.4%	92.8%
Belarus	15,922	0.2%	92.6%	14,392	90.4%	0.4%	93.2%
Armenia	16,880	0.2%	92.8%	14,244	84.4%	0.4%	93.6%
The FYR of Macedonia	16,877	0.2%	93.1%	14,137	83.8%	0.4%	94.1%
Venezuela	30,915	0.5%	93.5%	13,219	42.8%	0.4%	94.5%
Barbados	12,611	0.2%	93.7%	12,560	99.6%	0.4%	94.8%
Gabon	16,987	0.2%	94.0%	12,326	72.6%	0.4%	95.2%
Tunisia	13,350	0.2%	94.2%	12,121	90.8%	0.4%	95.6%
Botswana	19,582	0.3%	94.5%	11,926	60.9%	0.4%	96.0%
Azerbaijan	23,107	0.3%	94.8%	11,345	49.1%	0.3%	96.3%
Cape Verde	11,412	0.2%	95.0%	10,990	96.3%	0.3%	96.6%
Mauritius	10,538	0.2%	95.1%	10,364	98.3%	0.3%	96.9%
Guyana	10,253	0.2%	95.3%	10,253	100.0%	0.3%	97.3%
Chile	18,316	0.3%	95.5%	9,426	51.5%	0.3%	97.5%

Costa Rica	19,691	0.3%	95.8%	9,219	46.8%	0.3%	97.8%
Jamaica	8,782	0.1%	96.0%	8,775	99.9%	0.3%	98.1%
Montenegro	11,304	0.2%	96.1%	8,657	76.6%	0.3%	98.4%
Paraguay	21,689	0.3%	96.4%	8,352	38.5%	0.3%	98.6%
Panama	150,535	2.2%	98.7%	7,813	5.2%	0.2%	98.9%
Malaysia	14,421	0.2%	98.9%	7,379	51.2%	0.2%	99.1%
Algeria	35,981	0.5%	99.4%	6,278	17.4%	0.2%	99.3%
Turkmenistan	7,662	0.1%	99.5%	5,862	76.5%	0.2%	99.4%
Belize	4,462	0.1%	99.6%	3,726	83.5%	0.1%	99.6%
Grenada	3,507	0.1%	99.6%	3,507	100.0%	0.1%	99.7%
Libyan Arab Jamahiriya	13,594	0.2%	99.8%	3,432	25.2%	0.1%	99.8%
Oman	3,759	0.1%	99.9%	3,247	86.4%	0.1%	99.9%
Trinidad and Tobago	3,218	0.0%	99.9%	1,358	42.2%	0.0%	99.9%
Dominica	1,101	0.0%	99.9%	1,101	100.0%	0.0%	99.9%
Suriname	1,831	0.0%	100.0%	942	51.5%	0.0%	100.0%
Seychelles	1,779	0.0%	100.0%	744	41.8%	0.0%	100.0%
Totals	6,807,001	100.0%		3,279,545	48.2%	100.0%	

Table 27

	Agency Shares of Total ODA in MICs										
	includes humanitarian expenditures and local resources										
	listed from highest to lowest share of total UN as % of total ODA										
	all figures are percentages of total ODA for the country										
	no data provided for Thailand as it has negative net ODA										
	shares in excess of 100% or other very high shares largely due to inclusion of local resources										
Country	UN activities share total ODA (%)	UNDP	UNFPA	UNICEF	WFP	UNHCR	Other UN Funds & Programs	WHO	FAO	IFAD	Other Specialized agencies	Reg. Comms. + DESA
Panama	229.7	205.1	1.2	2.4	0.1	3.7	1.6	0.9	1.5	1.5	11.7	0.0
Argentina	123.7	98.9	0.7	4.7	0.0	3.6	0.4	0.5	1.8	0.4	12.1	0.6
Dem People's Rep of Korea	114.4	0.0	3.3	19.9	54.1	0.0	0.0	25.5	10.9	0.0	0.7	0.0
Barbados	103.3	8.8	0.0	42.9	0.0	0.0	5.0	0.6	12.0	0.0	0.0	0.0
Syria	87.4	3.8	1.6	3.7	8.6	39.8	24.8	0.7	1.5	2.0	0.8	0.0
Uruguay	71.9	45.8	4.3	3.6	0.0	0.0	0.3	0.6	2.5	4.6	9.9	0.1
Brazil	65.6	29.5	0.9	4.8	0.0	1.1	5.3	0.9	2.9	1.8	16.4	0.2
Iran	50.0	15.4	1.6	3.5	2.4	17.5	3.5	2.8	0.6	0.0	2.6	0.0
Trinidad and Tobago	46.6	36.4	0.0	0.0	0.0	0.0	8.9	3.0	0.0	0.0	-1.8	0.0
Zimbabwe	46.6	4.9	1.7	14.7	19.9	0.6	0.6	0.6	3.3	0.0	0.1	0.0
Venezuela	46.3	21.7	2.1	4.2	0.0	6.3	0.8	0.9	0.1	7.3	2.8	0.0
Fiji	40.9	14.6	0.0	16.4	0.0	0.0	1.0	2.9	0.3	0.0	0.5	0.0
Ecuador	40.1	8.4	0.9	2.2	18.4	5.2	0.1	0.5	0.6	0.3	0.5	0.0
Libya	34.5	11.1	0.0	0.0	0.0	10.3	5.1	1.5	2.5	0.0	3.4	0.7
Swaziland	34.4	3.5	2.2	14.5	6.9	0.0	2.1	3.2	0.7	0.8	0.6	0.0
Lebanon	31.4	5.5	0.2	0.7	0.0	1.4	19.5	0.9	0.2	0.0	3.0	0.0
Peru	31.2	17.7	0.7	1.7	6.1	0.0	1.5	0.5	0.5	0.9	1.6	0.0
Mexico	30.8	10.7	2.3	3.2	0.0	0.9	1.4	0.8	1.8	1.8	3.6	0.3
Philippines	30.3	5.3	2.1	6.1	10.9	0.2	0.4	1.9	0.3	1.0	2.1	0.0
Cuba	27.4	17.3	0.8	1.6	3.9	0.2	0.1	0.4	1.4	0.0	1.7	0.0
Jordan	26.7	0.9	0.1	1.0	0.0	5.4	17.7	0.2	0.0	0.3	0.3	0.0
Sri Lanka	26.5	2.2	0.5	5.9	8.6	4.9	0.7	0.7	0.5	2.0	0.4	0.0
Kenya	26.1	1.3	0.4	2.4	14.6	4.3	0.5	1.0	0.3	0.6	0.2	0.0
Indonesia	23.5	6.2	0.6	7.8	1.7	0.3	0.5	2.8	1.8	0.2	1.6	0.0
Chile	23.0	15.5	0.4	2.6	0.0	0.0	0.6	0.6	0.9	0.0	2.0	0.5
Guatemala	22.5	14.5	1.9	1.7	2.5	0.0	0.4	0.2	0.9	0.6	-0.2	0.0
Gabon	21.9	8.9	1.5	2.5	0.0	2.8	1.0	1.2	2.2	0.6	1.1	0.1
Pakistan	21.1	1.1	0.3	3.8	7.9	4.5	0.5	1.4	0.4	0.7	0.4	0.0
Honduras	19.8	9.7	0.6	1.4	5.6	0.0	0.2	0.3	0.7	0.7	0.6	0.0
Turkmenistan	19.2	10.1	1.8	3.8	0.0	1.8	1.1	0.4	0.1	0.0	0.2	0.0
Colombia	18.7	5.9	0.6	1.3	2.4	1.7	5.5	0.1	0.6	0.3	0.3	0.0

Costa Rica	18.0	4.0	0.8	1.3	0.0	2.5	0.6	0.3	0.8	0.0	7.6	0.0
El Salvador	17.2	7.1	0.6	1.0	5.8	0.0	0.1	0.2	0.6	1.3	0.5	0.0
Dominican Republic	17.2	9.5	1.5	1.7	0.4	0.0	0.5	0.5	1.8	0.0	1.2	0.1
China	16.3	6.5	0.4	3.5	0.0	0.4	0.4	1.3	0.4	1.9	1.7	0.0
Belarus	16.2	11.7	0.6	1.0	0.0	1.5	0.4	0.3	0.0	0.0	0.7	0.0
Belize	16.0	8.0	0.0	3.9	0.0	0.0	2.6	0.4	0.8	0.0	0.4	0.0
Tajikistan	15.8	6.6	0.2	2.1	4.4	0.2	0.7	0.3	1.1	0.0	0.3	0.0
Montenegro	15.0	8.9	0.0	2.1	0.0	3.3	0.1	0.0	0.0	0.0	0.6	0.0
Uzbekistan	14.9	9.4	0.5	3.6	0.0	0.1	0.5	0.4	0.0	0.0	0.3	0.0
Paraguay	14.6	11.5	0.8	1.2	0.0	0.0	0.1	0.3	0.1	0.1	0.6	0.0
Congo	14.0	3.0	0.9	2.6	1.3	2.8	0.3	1.8	0.2	0.8	0.5	0.0
Egypt	13.2	8.1	0.3	1.1	0.5	1.1	0.4	0.2	0.5	0.4	0.5	0.0
Nigeria	12.7	1.5	0.6	5.9	0.0	0.2	0.5	3.4	0.1	0.4	0.2	0.0
Algeria	11.3	0.4	0.2	0.5	5.8	3.4	0.0	0.4	0.0	0.0	0.6	0.0
Iraq	11.2	2.2	0.2	1.7	1.2	3.2	0.4	1.1	0.3	0.0	0.8	0.0
Moldova	10.8	5.8	0.0	2.0	0.0	0.5	0.3	0.1	0.1	1.7	0.3	0.0
India	10.7	1.3	0.5	5.0	0.4	0.2	0.2	2.1	0.0	0.4	0.3	0.0
Kyrgyzstan	10.7	5.9	0.3	1.0	2.3	0.4	0.2	0.4	0.0	0.0	0.1	0.0
Malaysia	10.0	2.6	0.3	1.4	0.0	4.4	0.1	0.7	0.0	0.2	0.4	0.0
Azerbaijan	9.9	4.2	0.5	0.9	0.1	1.8	0.0	0.1	0.5	1.4	0.3	0.0
Bosnia and Herzegovina	9.9	5.7	0.1	1.1	0.0	1.4	0.0	0.3	0.1	1.0	0.1	0.0
Georgia	9.0	1.5	0.2	0.8	1.7	3.8	0.0	0.0	0.6	0.4	0.1	0.0
Cameroon	8.8	1.1	0.8	1.9	1.8	1.4	0.3	0.5	0.2	0.4	0.5	0.0
The FYR of Macedonia	8.7	5.2	0.3	1.2	0.0	1.4	0.0	0.2	0.0	0.0	0.4	0.0
Namibia	8.6	2.9	0.9	2.0	0.2	0.8	0.4	0.3	0.6	0.0	0.5	0.0
Kazakhstan	8.0	4.2	0.2	0.8	0.0	0.7	0.3	0.1	0.4	0.0	0.2	0.0
Seychelles	7.7	0.0	0.0	0.0	0.0	0.0	0.0	2.5	0.0	0.0	5.1	0.0
Serbia	7.6	2.6	0.0	0.5	0.0	3.8	0.1	0.0	0.0	0.0	0.5	0.0
Bolivia	7.4	2.3	0.3	2.1	0.8	0.0	0.2	0.2	0.5	0.5	0.6	0.0
Grenada	7.3	1.1	0.0	0.0	0.0	0.0	0.0	0.1	2.9	3.2	0.0	0.0
Nicaragua	7.3	3.0	0.9	1.0	1.2	0.0	0.0	0.2	0.4	0.3	0.3	0.0
Botswana	7.0	2.6	0.8	1.5	0.0	0.8	0.3	0.4	0.0	0.0	0.5	0.0
Mauritius	6.8	4.7	0.1	0.0	0.0	0.0	0.2	0.6	0.0	0.8	0.3	0.0
Ukraine	6.4	4.2	0.4	0.5	0.0	0.5	0.1	0.4	0.0	0.0	0.2	0.0
Guyana	5.9	2.4	0.0	1.6	0.0	0.0	0.4	0.9	0.3	0.0	0.2	0.0
Jamaica	5.9	2.8	0.0	1.8	0.0	0.0	0.2	0.3	0.4	0.0	0.3	0.0
Cape Verde	5.8	1.6	0.7	0.6	0.2	0.0	0.7	0.6	0.7	0.5	0.1	0.0
Papua New Guinea	5.7	1.9	0.6	1.3	0.0	0.3	0.2	1.3	0.0	0.0	0.1	0.0
Tanzania	5.6	1.0	0.2	1.0	0.8	1.7	0.0	0.3	0.1	0.2	0.3	0.0
Albania	5.4	2.0	0.5	1.3	0.0	0.2	0.3	0.2	0.0	0.4	0.4	0.0
Cote d'Ivoire	5.4	1.7	0.4	1.4	0.6	0.3	0.2	0.3	0.2	0.2	0.1	0.0
South Africa	4.9	1.0	0.1	1.3	0.0	1.1	0.7	0.2	0.0	0.1	0.4	0.0

Mongolia	4.8	1.5	0.6	0.8	0.0	0.1	0.1	0.7	0.3	0.4	0.4	0.0
Ghana	4.4	0.8	0.2	1.2	0.8	0.4	0.1	0.2	0.1	0.3	0.2	0.0
Morocco	4.2	1.7	0.3	0.5	0.0	0.2	0.2	0.2	0.1	0.4	0.3	0.0
Turkey	3.4	1.5	0.1	0.5	0.0	0.5	0.2	0.2	0.0	0.3	0.1	0.0
Armenia	3.2	1.3	0.2	0.3	0.1	0.3	0.0	0.1	0.2	0.4	0.3	0.0
Dominica	3.0	0.7	0.0	0.0	0.0	0.0	0.6	0.1	1.7	0.0	0.0	0.0
Tunisia	2.8	0.4	0.1	0.3	0.0	0.1	0.4	0.2	0.0	1.1	0.2	0.0
Viet Nam	2.2	0.5	0.2	0.5	0.0	0.0	0.1	0.2	0.1	0.4	0.3	0.0
Oman	1.8	0.0	0.4	0.5	0.0	0.0	0.0	0.4	0.0	0.0	0.4	0.0
Suriname	1.2	0.9	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0
Total	14.2	7.6	0.4	2.4	2.4	1.7	1.2	1.6	1.0	0.4	1.0	0.1

Table 28

Expenditures Concentrated in Limited Number of Entities		
countries where expenditures by the 5 major disbursing entities represent high percentage of total UN spending		
% of total UN expenditures	**# of countries**	**% of countries**
Top 5 less than 80%	8	6.1%
Top 5 >80% less than 90%	59	44.7%
Top 5 more than 90%	65	49.2%
Totals	132	100.0%
Average share of top 5 - all countries	90.0%	

Table 29

Number of programme countries[1] in which each UN entity is among the top 5 UN entities in expenditures (2009)

UN Entity	No. 1	No. 2	No. 3	No. 4	No. 5	Total
UNDP	66	27	18	13	3	127
UNICEF	26	37	41	11	4	119
WHO	3	7	11	19	28	68
WFP	19	24	16	5	2	66
UNHCR	10	18	14	16	7	65
UNFPA	0	2	8	21	18	49
FAO	1	2	5	16	23	47
IFAD	2	4	6	8	14	34
UNODC	0	2	0	3	5	10
UNIFEM	0	3	3	2	1	9
ICAO	2	2	1	2	1	8
ILO	1	0	0	5	2	8
IAEA	0	0	1	1	5	7
UNIDO	0	0	0	2	5	7
UNAIDS	0	1	0	1	4	6
UNCTAD	0	1	2	1	1	5
UNESCO	0	1	1	1	2	5
UNEP	0	0	1	1	1	3
UNRWA	2	1	0	0	0	3
UNCDF	0	0	0	1	0	1
UN-Habitat	0	0	1	0	0	1
ITU	0	0	0	1	0	1

UNDESA	0	0	1	0	0	1
UNV	0	0	0	0	0	0
ITC	0	0	0	0	0	0
IMO	0	0	0	0	0	0
UPU	0	0	0	0	0	0
WIPO	0	0	0	0	0	0
WMO	0	0	0	0	0	0
UNWTO	0	0	0	0	0	0
ECA	0	0	0	0	0	0
ECE	0	0	0	0	0	0
ECLAC	0	0	0	0	0	0
ESCAP	0	0	0	0	0	0
ESCWA	0	0	0	0	0	0
OCHA	0	0	0	0	0	0
Total	132	132	130	130	126	650

[1] "Programme country" defined as a Member State of the UN with at least $1 million in UN expenditures, and excluding OECD/DAC members.

ANNEX C

JIU Benchmarks for Coherence and Integration

Extracts from JIU Report JIU/REP/2009/9

Inspector Even Fontaine Ortiz

Note: this report was written from the perspective of Integrated Missions, however many of the benchmarks and required measures are equally applicable to other Offices led by Resident Coordinators

Objective

To examine current barriers to the achievement of coherence and integration of the United Nations system, make recommendations to overcome these barriers and propose a flexible model for coherence and integration that can be adapted to meet the needs and wants of all countries where the United Nations system operates for those on the road to development and those in conflict or post-conflict situations.

1. The coherence and integration process is effectively guided by Member States.

Through:
(a) Providing clear guidance to the secretariats of all organizations of the United Nations system on what is expected from them in terms of coherence and integration;
(b) Enhancing the existing coordinating role of CPC to better enable it to bring greater coherence to programmatic aspects of the system as a whole; and
(c) Operationalizing the role of ACABQ vis-à-vis all entities of the United Nations system to bring greater coherence to administrative and budgetary questions across the system.

2. Security Council mandates are SMART with sufficient resources to match. (smart = specific, measurable, attainable, relevant and time-bound)

Through:
(a) Strengthening the information-gathering and analysis capacity of the Secretariat;
(b) Involving UNCTs in assessment missions and specifically making recommendations on actions to support longer-term actions in the peacebuilding process and in providing inputs to reports to the Security Council;
(c) Establishing commonly agreed indicators to measure progress towards meeting mandated activities;
(d) Agreeing on an exit strategy for the handover from peacekeeping or political missions to development actors from the outset of operations; and
(e) Receiving clear programme and budgeting implication statements from the Secretary-General before adopting resolutions and decisions.

3. A binding institutional framework for the United Nations system defines the operational

doctrine, division of labour, rules of engagement, guidelines and procedures, agreed by CEB and approved by relevant legislative organs.(This is further explained by four guidelines – the first being "Promoting a common understanding that achieving coherence and integration is a process whereby every United Nations system organization, at both the field and Headquarters level, finds its comparative advantage to obtain results within the one plan/programme through common objectives and operational independence; Question – is this feasible – this is the central planning model – how realistic?? The SMART principles say the results should be "attainable")

Through:

(a) Promoting a common understanding that achieving coherence and integration is a process whereby every United Nations system organization, at both the field and Headquarters level, finds its comparative advantage to obtain results within the one plan/programme through common objectives and operational independence;
(b) Assigning clear institutional responsibility for each mandated activity;
(c) Defining a humanitarian space for humanitarian actors; and
(d) Repositioning the specialized agencies in line with their equally important development role.

4. Effective DPKO/DPA concerted efforts and coordination mechanisms are in place.

Through:
(a) Reinforcing day-to-day cooperation between DPKO and DPA;
(b) Strengthening existing joint coordination mechanisms with other Secretariat departments and offices; establishing new ones only if necessary;
(c) Clarifying the role of the new PBSO with DPA and other Headquarters departments; and
(d) Strengthening the strategic analysis and decision-making capacity of DPA to enable the Department to engage more effectively with DPKO and DFS and to improve the United Nations system's effectiveness in preventive action and peacemaking.

5. Existing inter-agency coordination mechanisms are effectively promoting integration and coherence throughout the system.

Through:
(a) CEB, supported by its machinery, if it is given the mandate and tools to become the actual supreme inter-agency mechanism to implement the mandates of Member States on system-wide coherence and integration;
(b) Ensuring that all members of the United Nations system family enjoy equal rights in the context of "Delivering as one";
(c) Having a strong separate secretariat detached from any individual organization, headed at a high level (under-secretary-general or assistant secretary-general);
(d) Making UNDG the management and oversight operational tool for coherence at the field level as an inter-agency, jointly financed body, open to all members of United Nations organizations;
(e) All existing coordination mechanisms, such as the four executive committees, the Policy Committee and the Management Committee, reporting to CEB, through HLCP and HLCM on

issues of a system-wide nature; and
(f) The four executive committees opening their membership to all United Nations organizations on issues of a system-wide nature.

6. The United Nations system interacts with its external partners from civil society, Bretton Woods institutions, regional organizations and the private sector in a coherent manner.

Through:
(a) Providing the necessary institutional framework for interaction that delineates the role of each entity in planning, assessment and implementation;
(b) Action-oriented engagement of external partners in the Economic and Social Council, the General Assembly and legislative bodies of other United Nations system organizations;
(c) Developing joint policies and guidelines for interaction between the United Nations system and its partners;
(d) Establishing a follow-up mechanism to oversee the commitments of each partner;
(e) Giving a clear mandate and tools to the United Nations regional commissions and other regional offices in the United Nations system to ensure, under the authority and direction of CEB, implementation of the policies and decisions of Member States, and of the process towards optimum coherence and integration at the regional, subregional and country levels; and
(f) Aligning the mandates and location of the United Nations regional commissions with other United Nations regional offices.

7. Regional Coordination Mechanisms and Regional Directors' Teams are effectively promoting coherence and integration at the regional, subregional and country level.

Through:
(a) RCM providing policy, normative and analytical work on thematic issues at the regional and subregional level;
(b) RDT providing leadership, strategic guidance and support to RCs/UNCTs for the achievement of country level operational goals;
(c) Adopting consistent models for RCMs and RDTs across the regions though allowing for some additional functions as dictated by regional context and priorities;
(d) Firmly placing RCMs in the United Nations architecture comprising CEB and its three pillars;
(e) Coordinating workplans and annual back-to-back meetings of RCMs and RDTs;
(f) An effective, close and reciprocal relationship between UNDP, the regional arms of other entities and the regional commissions.

8. The coherence process within the United Nations system upholds the sovereign role of each country in defining its "needs and wants" and setting its priorities.

Through:
(a) Undertaking reliable, common need assessments of the country situation, led by the national authorities;
(b) Respecting country leadership in developing and implementing national recovery/development strategies, and strengthening national capacity; and

(c) Developing a consultative mechanism with the Government throughout, involving the national authorities, the United Nations system, the Bretton Woods institutions, civil society and bilateral donors.

9. A common mindset, conceptualization, understanding, shared vision, approach and sense of ownership among the United Nations organizations represented in the country.

Through:
(a) Inclusiveness;
(b) Respect for the operational independence and visibility of each partner, noting that each entity brings its expertise, but that duplication should be avoided;
(c) Incentives to encourage integration;
 (d) Development of a common strategic paper providing the principles and basis for working together to which all would formally adhere;
(e) Agreed procedures and guidelines that apply system-wide; and
(f) An improved communication strategy to disseminate information about the risks and opportunities of the coherence and integration process.

10. The existence of a flexible integration model to respond to the specific and changing needs of each country, determined through a needs assessment carried out by/or in full consultation with the UNCT and the host country.

Through:
(a) Consideration for appointment by the Secretary-General, following consultation with CEB, of a "Representative of the United Nations system" to lead the UNCT as the most senior representative of the system in the country, supported by a "representative" of organizations;
(b) A streamlined process to ensure that the best team is put together, the selection of the SRSG being dependent on a review of the composition of the senior management team of the mission;
(c) Drawing up the profile of the representative of the United Nations system in any country in line with the specific and evolving needs of the country, in full consultation with the national Government;
(d) Composition of UNCTs by responding to what \countries "need and want" in the specific circumstances. This may vary in response to evolving circumstances, taking into account the comparative advantage of each agency, based on its historical local presence, expertise and resources. It should be reassessed periodically in accordance with the needs of the strategic programming cycle;
(e) Where necessary, adding new components to the established country team structure, such as peace operations under a Security Council mandate or any other, in full consultation with the UNCT and the Government by inserting the temporary structures into the permanent configuration.

11. A selection process of mission leaders through CEB is in place to ensure the appointment of highly qualified managers with full authority over representatives of all United Nations system organizations in the country.

Through:
(a) Changing the current title of resident coordinator to United Nations system representative;
(b) A selection process tailored to the country's needs and specific situation;
(c) Participation of all United Nations entities present in the country on an equal footing, with the same rights to propose, scrutinize, veto and nominate candidates;
(d) Administration of the process by HLCM and appointment of candidates by the Secretary-General after consultation with CEB and the Security Council;
(e) Detaching the function of UNDP resident representative;
(f) Member States proposing valuable candidates;
(g) Evaluating the managerial competencies of candidates; and
(h) Achieving diversification in terms of geographical distribution and gender in line with United Nations values.

12, Leaders receive the necessary training/induction to perform their functions effectively.

Through:
(a) Putting in place an induction/training module for leaders in coordination with UNSSC, tailored to the different country situations and needs;
(b) Mobile training teams providing group training to UNCTs and mission leaders by region; and
(c) Organizing training in clusters by thematic subject.

13. The "One leader" at country level is empowered with the necessary authority and held accountable to the CEB machinery for successfully implementing the "One plan".

Through:
(a) Determining the extent of authority delegated to the representative of the United Nations system to ensure coherence/integration at country level, including over UNCTs;
(b) The chain of command within UNCTs being clear and unambiguous;
(c) Clearly defining delegation of authority in administrative instruments and individual delegation orders, that are consistent and comprehensive, including delegation of all financial and human resources;
(d) Appraisal of the representative of the United Nations system through performance oriented systems of accountability and effectively holding him/her accountable for results delivered;
(e) Appraisal of his/her managerial competencies, in the case of the RC, by UNDG (IAAP) and those with a presence in UNCT, and in the case of the SRSG, by the Secretary-General with input from DPKO/DFS/DPA;
(f) The representative providing input to the performance appraisal of UNCT members as to their contribution to the coherence/integration process and the implementation of the "One plan"; and
(g) Mechanisms established to resolve discrepancies in the case of integrated missions.

14. Representatives of the United Nations system are given the resources to exercise the coordination responsibilities entrusted to them effectively.

Through:

(a) Grading representatives of the United Nations system at under-secretary-general, assistant secretary-general or D-1/2 level depending on the complexity of the country situation; but always one grade above other members of UNCTs;
(b) Harmonization of the conditions of service of staff serving in the field;
(c) Adoption of a system-wide mobility policy;
(d) Establishing coordination/integration units in all duty stations without exception, with direct reporting lines to the representatives of the United Nations system;
(e) The coordination units supporting the representatives of the United Nations system in their coordination functions within UNCTs, between the UNCT and the mission/office, the UNCT and the Government and the UNCT and other partners (donors, civil society and private sector); and
(f) The coordination units organizing regular monthly meetings with the participation of all parties. In addition to information-sharing and backstopping of meetings, the coordination units are responsible for joint planning, monitoring and evaluation and for resource mobilization.

15. A results-based approach is applied to ensure a coherent and integrated planning, programming, budgeting, implementation, monitoring, evaluation and reporting process from the very outset of the preparation of the "One plan".

Through:
(a) Developing a single common country programme and strategy for all United Nations system organizations represented or not in the country with the full participation of all actors;
(b) Conducting prior needs/mission assessments to identify the root causes of problems with the involvement of UNCTs and other actors outside the United Nations family;
(c) Translating country strategies into prioritized results-oriented and focused plans/programmes;
(d) Focusing on the simultaneous efforts of all United Nations components;
(e) Setting progressive targets at country level for the establishment and implementation of joint programmes;
(f) Developing the cluster approach in the areas of peacekeeping, peacebuilding and development;
(g) Establishing indicators to measure progress towards meeting objectives;
(h) Setting up effective monitoring and self-evaluation mechanisms;
(i) Regularly feeding the results of evaluation into the planning process;
(j) Improving the quality of the reporting process;
(k) Resorting to existing oversight mechanisms to provide an independent assessment of progress achieved in the coherence/integration process; and
(l) Harmonizing the current financial, human resources and planning, programming, budgeting, procurement, monitoring and evaluation regulation and rules.

16. A funding mechanism exists that includes all United Nations system organizations present in the field, the host country, the Bretton Woods institutions, bilateral and multilateral donors, international and national NGOs and other members of civil society, to ensure coherence, integration and correlation between need assessments and available resources.

Through:
(a) Linking country programmes and strategies to funding;

(b) Involving Bretton Woods institutions and individual donors in the strategic planning process to increase ownership and transparency;
(c) Providing increased funds for quick-impact projects and financing DDR activities under security programmes from assessed contributions;
(d) Applying pooled funding for increased efficiency;
(e) Establishing mechanisms to prioritize activities for funding;
(f) Establishing effective inter-agency disbursement procedures; and
(g) Revising the financial and administrative rules at Headquarters level to make them mutually compatible.

17. A "one United Nations house" is set up where United Nations system organizations in the country share common premises and services while related savings are reinvested in development activities within the country. (stand alone – no Through)

18. Civil society representatives, Bretton Woods institutions, group donors and the private sector participate in the "One United Nations" process at country level.

Through:
(a) Designation of focal points within UNCTs;
(b) Participation in country needs assessments; and
(c) Involvement in the design, implementation and evaluation of country strategies and plans.

Annex D

The evolving pattern of operational activities funding

Many of the challenges that impact on the UNS in the field and the ability of the RCS to achieve coherence arise from the manner in which the system and its activities are funded. UNCTs at present must undertake the unenviable task of trying to bring coherence into country activities where two major elements of the funding pattern work against coherence: 1) the vertical funding pipeline of each individual agency for its core programmable resources where allocations and uses are essentially set by the governing boards, and 2) the steady and continuing increase in the earmarking of resources provided to the UNS by donors.

The Secretary General's *Analysis of the funding of operational activities for development of the United Nations system for 2009 (A/66/79)* provides a thorough and thoughtful analysis of the current funding pattern for operational activities and the trends in funding patterns over the past fifteen years. The UNS received about $21.9 billion of ODA in 2009, representing approximately 18% of total ODA flows minus debt relief[27]. This percentage of total ODA flows has grown modestly in recent years. Fund flows break down as approximately 65% for development and 35% for humanitarian purposes. Humanitarian flows tend to be less predictable given the ebb and flow of major man-made or natural disasters. 33% of all direct contributions by OECD/DAC countries to the multilateral system in 2009 were channelled through the United Nations development system, making the UNS the largest multilateral partner of OECD/DAC countries.

However, growth in total UNS system operational activities funding over the past fifteen years is largely attributable to growth in non-core resources. From 1994-2009, the total growth for the fifteen year period in core resources was only 2% in real terms. Over the same period however, non-core funding increased by some 350%, also in real terms. As a result, the share of core funding for development activities declined from 69% in 1994 to 34% in 2009.

Non-core funding also has the characteristic of being "highly fragmented". 88% of non-core funding in 2009 was single donor and programme/project specific. About 12% of non-core funding in 2009 was programmed through pooled funding arrangements such as thematic funds, MDTFs and One UN Funds.

Predictability of resource flows continues to be a challenge. Annual changes in donor contributions can be quite significant, including as the result of exchange rate fluctuations. The SG's report notes that the adoption of integrated strategic and multi-year financing frameworks by the entities of the UNS does not seem to have significantly advanced the predictability, reliability and stability of funding flows.

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[27] It is important to recall that UN and OECD/DAC calculations define "multilateral ODA" differently. The UN considers non-core contributions to be multilateral flows to the UN. OECD/DAC considers non-core contributions to be bilateral ODA. The numbers used here are based on the UN definition.

The SG's report notes that the work of the UNS is only moderately concentrated. 43 programme countries (30% of the total) accounted for 80% of all country-level expenditures in 2009. For the UN entities reporting country-level expenditures, some 1,779 relationships (one agency spending in one country = one relationship) with 148 countries – for an average of 12 relationships per country. Only 6% of these relationships were considered "significant" in financial terms, significant being defined as the spending agency being among the larger contributors that together account for 80% of total ODA at the country level.

The SG's report also drew attention to the ongoing challenge of core resources being used to subsidize the support costs of non-core funding. The report notes that there is a significant difference in the distribution of entities' total programme support and managements costs between core and non-core funding sources. Consequently, after paying programme support and management costs, only 58% of core resources are available for programme activities while 91% of non-core resources are available for programme activities. The report further notes that the cost recovery rate of 7% applied by some entities would in some cases have to be doubled if all costs were to be equally distributed between core and non-core resources. Should equal distribution of programme support and management costs between core and non-core be achieved, then core funded programme activities could increase significantly. However for some entities, if the cost recovery rate were raised to achieve full recovery, the resultant rate might be so high as to render the agency non-competitive in the mobilization of non-core resources.

One of the intriguing questions surrounding current funding patterns is the extent to which resources currently contributed as non-core resources might, under the right circumstances, be converted to core resources globally or to funding pools (like the One Funds or other MDTFs) at the country level. Virtually all UNGA resolutions on funding issues underscore the critical importance of core resources as the bedrock of the UN operational activities system. Executive heads of various entities regularly appeal for an increase in core resources. Previous attempts to encourage donors to contribute on a longer term strategic basis, such as the adoption by most entities of multi-year strategic plans and financial frameworks, by and large did not result in any significant lasting change in donor behavior.

For the purposes of this report, the question might be rephrased to ask *if donor behavior would change significantly if the UNS is truly successful in building a very coherent set of field operations through some optimal level of coordination at the country level?* Some donors say this would be the case. However, other donors and a number of UN agency fund-raising officials question whether even an optimal level of country level coherence would significantly alter current funding patterns.

There is no simple answer to this question, but to begin to understand the factors in play it is necessary to look at the source of current funding flows to the UN system in terms of the budget lines of the individual donor countries[28]. Caution is required in this exercise since each donor is somewhat different - in much the same way that each programme country is somewhat different. It is however safe to say that in general, funds flow from three different types of donor budget lines, all of which may be found in

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[28] the 2011 OECD/DAC report on Multilateral ODA includes a very interesting discussion on this issue

one agency (normally the aid agency or ministry of foreign affairs) or in several different government entities or ministries (such as the aid agency, the foreign ministry, the finance ministry, or line ministries such as Health or Agriculture):

- from multilateral budgets: these budget lines are used to fund the donor's core resource obligations to a variety of multilateral entities such as the UN funds and programmes and the international financial institutions. It is normally the officials that manage these funds in donor entities that represent their countries in the governing boards of the funded institutions and that write the instructions that govern the country's positions in those boards. In the national budgets, these expenditures are justified as maintaining in good standing the donor country's membership in the organization and as part of a long term strategic partnership between the donor country and the organization. For these types of "strategic partner" expenditures two goals exist simultaneously: 1) to achieve a developmental or humanitarian objective, and 2) to build and strengthen the organization as a long term viable strategic partner;

- from bilateral or country-to-country budgets: these funds are programmed by the donor to achieve certain results in a specific partner country and are generally governed by a bilateral agreement negotiated between the two parties. Each country programme is funded by the donor agency's overall bilateral budget. Activities undertaken in these country programme budgets are generally subject to different criteria, terms and conditions than multilateral contributions, including in such areas as monitoring and reporting, audit, timing of payments, evaluation requirements, etc. In addition, the policies that guide a donor agency's country-to-country objectives may be quite different than for the multilateral contributions. For example, a donor country may have a policy that says 60% of its country-to-country funding must go to the LDCs, while a co-existing policy might be that 40% of total expenditures be directed to the health sector. In the aggregate, the donor agency managers of these country-to-country funds must ensure that these targets and policies are met in order to report compliance to the authorizing legislative body. The practical implication of this type of donor agency policy is that these contributions **must to some measure be earmarked** or else the responsible managers cannot ensure that the donor's policy objectives will be met. The policy environment surrounding these types of expenditures is then further layered by the bilateral donor's country programme document (normally approved by the agency's senior management committee and in many cases also by the responsible Minister) in much the same way as UN entities have their own country programmes. The net result is that these country-to-country resources cannot be converted to core contributions at the global level, and may still need to be earmarked even at the country level. For these type of expenditure, the sole goal is to achieve the development objective specified. Unlike the funding from the multilateral budget lines, the goal of developing and maintaining the chosen agency as a viable long term strategic partner does not exist, since the primary criteria that govern the use of the implementing agency is its effectiveness and efficiency, not its long term viability. For this reason, these country-to-country desks, where much of the non-core funding for the UNS operational activities originate, are very sensitive to the UN's cost recovery policies, and particularly to the principle that they pay only for the clearly

identifiable incremental costs of implementing their funded activities. Since the long term viability of the institution is not one of their objectives, they feel no obligation to pay for any of the "fixed" costs of the institution that are necessary to sustain its base functions, as this responsibility lies with their multilateral colleagues;

- <u>from special purpose budget lines</u>: these are budget lines that exist within a donor's financial framework to pursue specific goals that are 'cross-cutting' for the donor country, in that they might equally apply to activities carried out by multilateral organizations or through a variety of direct country-to-country activities or civil society organizations. Examples of such budget lines would be for peacebuilding, good governance or for a variety of health initiatives. The UN system's "thematic funds" often target this type of resources. As with the country-to-country funding, the managers of these funds must ensure that the established policy targets are met in order to report compliance to the authorizing legislative body. This means that these funds **must to some measure be earmarked** or else the donor's policy objectives cannot be fulfilled, a possible exception being that some funds could be provided as core resources to multilateral programmes or to MDTFs that are <u>directly and fully aligned</u> with the objectives of the donor's special purpose budget line. With this exception, it can generally be concluded that much of this funding cannot be converted to core funds at either the global or country levels.

What lessons can be drawn from this very general analysis of donors' domestic policy approaches and the general pattern of contributions to the UN operational activities over the past few decades?

Many documents, including those that led to the development of the DaO approach, have maintained that the UN is achieving insufficient impact and that it is therefore failing to attract sufficient donor funding support. In the view of this report, this contention is not supported by the statistical evidence. It is true that the "quality" of funding to the UN has deteriorated with the trend away from core to non-core, but the quantity of funding attracted has been strong. As outlined earlier, the UN system has enjoyed considerable success in attracting donor resources as evidenced by the gradually growing share of total ODA that is channelled through the UN system.

The considerable success of the UNS in mobilizing resources for operational activities indicates that the system generally has many attractive attributes for funding organizations – both bilateral donors and other multilateral entities. Success as reflected in the total amount of resources mobilized is because of the UN system's ability to meet country needs that fall within the mandates of the individual UN entities while at the same time allowing donors to target spending to meet a variety of domestic policy considerations. The UNS has done a good job of putting in place field delivery capacity that the donors can use to deliver their programmes while still meeting the priority needs of the programme countries. But the use pattern for such funding can be quite different from that of the core resources of the UN agency involved.

This does not downgrade the importance of core resources or the central mandates of the entities. Core support, particularly in an era of insufficient cost recovery, is essential to sustain both the normative and operational capacities of the UN entities and to provide some basic level of assured funding for the

entities' strategic programming purposes. But most donor countries are reluctant for domestic political reasons to see the multilateral shares of their aid budgets increase[29]. Within the multilateral budget component there is also serious competition from the IFIs and from the EU for EU member states. There are also new competitors, such as the Global Fund and GAVI. Future core resource growth for the UN will therefore likely be limited at best to the growth in the donor's overall ODA. It is also likely true that it is unlikely that non-core resources can in the future be converted to core resources.

This emphasis on donor policies is also not to argue that the national priorities of developing countries are not important. They are important. But it is also legitimate to believe (as is frequently stated by the Executive Heads of a number of UN entities and as has been reported in the interviews and survey reports carried out for this report) that there is a considerable convergence of priorities at both the global and country levels between the UNS and its individual entities, the programme countries and the donors. This convergence is evidenced by the UN system's demonstrated ability to mobilize non-core resources. In many cases, it has been the policy and operational experiences of the UN entities that have contributed to the adoption of parallel policies within the aid frameworks of donor countries. This is evidenced in many areas, including the disease specific endeavours of the WHO, good governance and disaster preparation within UNDP, girls' education in UNICEF, and maternal and reproductive issues in UNFPA. The UN tends to be very much a leader also in humanitarian response, based both on a strong central coordination function and the specialized operational expertise of a number of UN entities. Many other examples exist. The continued success of the UNS in mobilizing resources for operational activities, even though that success lies mainly in the area of non-core resources, is testament to that convergence of interests.

If one accepts this line of argumentation, then a possible conclusion is that the emphasis placed in recent years on the coherence of the UN activities at the country level may be misplaced – <u>at least in terms of the total level of resources mobilized</u>. It is of course true that coherence is valid objective regardless of the level of resources mobilized, simply as a matter of maximizing impact. When looked at from the admittedly narrow perspective of the total level of resources mobilized, the strength of the UNS may not lie largely in the coherent strategic orientation of <u>all</u> of its activities, but rather in the ability of the system to develop a series of parallel sectoral policies and operational modalities that meet defined sectoral objectives and at the same time to respond flexibly in these areas when programme country and donor objectives coincide. Matching the needs of the programme countries with the financing of the donors becomes the critical task. Flexibility and speed of response would thus become the critical factors.

No individual or organization lives without reconciling contradictions in interests or policies. Life would be inestimably easier if all of the complex pieces always fell neatly into some coherent whole. Overcoming internal contradictions is often a key element of successful management. Serious and persistent contradictions do however require, in the case of an institution, a review of existing policies to determine their continued relevance. In terms of the RCS, it could be argued that certain serious

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[29] this may not explicitly stated, but for many donors the general share of ODA provided as multilateral tends to revolve modestly around longer term norm.

contradictions between stated policies and actual behavior do exist, and do occasion a review of thinking about the functioning of the Resident Coordinator system.

The donor community in general has been a strong advocate of UN reform over the past two decades. It has placed heavy pressures on almost all elements of the UN system to reform in order to justify continued or enhanced financial support. Many UN organizations have responded, often impressively given the complexity of their mandates and their governance processes. Reform has arguably been most evident in those organizations heavily dependent on voluntary funding – although dependence on voluntary funding is increasingly a characteristic of the entire UN system. Given the work of CEB/UNDG, progress has also been made on how the various entities relate one to the other within the broader UN system. But if donors have generally supported the broad concept of reform, there has been much more limited agreement on what the long term goal of the reform process should be – other than the relatively unobjectionable ambition to enhance coherence, effectiveness and efficiency. It is worth recalling that the High Level Panel on UN System-wide Coherence, which strongly supported the development of the DaO model, also included recommendations for a major shift towards core funding that has not occurred.

The donor community's pursuit of the coherence objective in the UN is however not monolithic nor is it without some glaring inconsistencies. While a small group of donors, generally characterized by being the most forthcoming in terms of core resource support, has documented and pursued a certain vision of strategic coherence, other important donors have not demonstrated the same commitment to this type of reform. On the whole, it must be noted that as stated by the Secretary-General, many of the major reforms undertaken by the UNS to date have not resulted in major changes in donor practices – including the multi-year financial frameworks and strategic plans, and more recently the One Funds.

Perhaps as important as the level of funding provided, which has not been a negative experience for the UNS over the past two decades, has been the 'form' of the funding provided. Donor funding practices have generally worked against the coherence and effectiveness objectives, which are the professed key goals of reform, by earmarking funds in a wide variety of manners that bypass the multilateral governance and normal programme delivery processes that could underpin a more strategic programme orientation for the UN system. Regular budget growth in many specialized agencies has also been arbitrarily limited, resulting in greatly increased dependence on supplementary funding and a breakdown in some entities of the clarity of the criteria which determine which activities should be funded by regular resources and which by supplementary funds. The reasons for this increased focusing on non-core resources are not without merit from the donors' points of view and have been discussed in a previous section of this report, but they do tend to work against more coherent overall operations.

There are a variety of different ways of looking at this issue. Leaving aside for the moment the wide variety of different activities that are carried by UN organizations[30], the fundamental question is if

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[30] *Account must be taken that UN field activities vary greatly in their fundamental nature. Somewhat oversimplified, the general categories include:*

- *developmental activities – activities which are programmed in a medium or long time frame and which are oriented to building the capacities of developing countries;*
- *humanitarian activities – which are required to be quick response, which do not therefore lend themselves to medium or long term planning (except in terms of execution capacity), and which are limited in time to that required to alleviate the human suffering arising from natural or man-made disasters;*
- *transitional activities – which reflect the transition from humanitarian to developmental activities in post conflict situations on an uncertain time frame during which both types of activities will exist simultaneously;*
- *activities arising out of country requests to access the normative and analytical expertise of UN entities through technical cooperation, including assistance in understanding and meeting obligations arising from international agreements and conventions;*

donors truly wish to see some type of strategically driven overall UN programme, governed in large measure by the shared decision-making processes that should be characteristic of multilateral programmes and that would incorporate the activities of most of the major developmental components of the UN system. This would require some much more integrated programming approach which would have to be backed up by a funding system much more carefully attuned to its demands – some grouping of similar programmes from different entities, more core, more predictability, better burden-sharing. At least in some measure, this system existed when the UNDP played the central funding role for the UNS as a whole. One of the major reasons for the demise of the central funding approach was the lack of support for it from the donor community. An alternative would be not to seek such a global strategy for the UN, but rather to focus on strategically driven programmes within each country. That is basically what the UN is now trying to achieve through the RCS and its attendant processes at the country level.

The largely unspoken but very real consideration that drives donor funding approaches to the UN is that most donors are not prepared to leave the allocation of large amounts of their funding to a UN decision-making process characterized by the principle of "one member state – one vote". The rather idealistic concept of multilateral shared decision-making that characterized the UN in its earlier years is now highly diluted. Donors therefore bypass this decision-making characteristic of the UN system by increasingly providing earmarked non-core funding.

One implication of this process is that donors have tended to view many UN organizations not so much as long term strategic partners that require support consistent with multilateral principles, but as project or programme execution entities which they can regularly or occasionally contract to meet their own policy objectives. Donors increasingly use UN organizations in the same manner that they would use an NGO, or a private sector consulting or project management firm to implement a specific project or programme. Driven by the need to maintain some minimal critical mass of overall programme activity, many UN entities have actively encouraged such an approach – recognizing a fact of life for which they cannot be criticized. The net result is however that the UN is increasingly focused on implementing for others, rather than as strategic master of its own programming.

Current practices are stressing the sustainability of the UNS overall and a number of its member entities. There is an assumption in non-core funding that the 'programme delivery machinery' of the UN agency will be available, when and as required. As was brought home by the SARS and Avian Flu experiences, entities are often called upon to respond quickly, even if their basic capacities may have been eroded due to a lack of the "right kind" of funding.

While progress has been made by a number of entities towards more realistic cost recovery policies, most still subsidize in one form or another the overhead costs on non-core funding. Cost recovery rates are a critical issue here – but so is the definition of what costs the cost recovery rate is expected to recover. Present cost recovery principles as agreed by the CEB/HLCM do not include any provision for the recovery of any of the fixed costs of the entities that maintain its core capacities. This challenge is exacerbated when Insufficient recovery erodes the availability of core funds to maintain the basic functions of the organization. It raises the critical question of how, in the long term, the basic technical and programming machinery of the agency is to be developed and maintained in an efficient and effective manner. To the extent that these capacities of the organization are dependent on a diminishing proportion of core funding, then they are at risk. The challenge of course lies in the fact that the UN operates in a competitive environment for non-core funding. If its recovery rates are too high – it will be

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- *advocacy activities, where UN entities promote the adoption by governments of various governance mandated policies.*

uncompetitive. It is therefore a difficult decision for both governance and management as to the extent they should pursue the "fully proportional cost recovery" principle between core and non-core resources.

To summarize the discussion on donor contradictions, donors, programme countries and UN entities have essentially created a competitive implementing agency model for much of the system's operational activities which can only be changed by a fundamental restructuring of funding patterns. However, this model can continue to be successful if the primary measure is the total level of resources mobilized. It is less likely to contribute to a more coherent and therefore more effective UN.

Annex E

Selected Comments of Individual Respondents from the Management and Accountability Framework Review

While the concept of the UNDP firewall was considered extremely important by many respondents, some comments raised concerns about the <u>negative implications of the firewall</u>:

1. *"With the broadening of the pool of RCs to all UN entities, the "firewall" is largely unnecessary. As it stands, the firewall -- rather than its intended purpose of "equalizing" and creating a level playing field for ALL UN entities on the country team, it can potentially render UNDP "least equal." including in terms of international staff strength, particularly in small COs/ UNCTs, given that the representatives of sister entities are 100% dedicated to their entities while the UNDP RR is for the most part stripped of agency-specific responsibilities."*

2. *"UNCT members, particularly EXCOM and specialized resident entities, do not systemically recognize the role or function of the RC.   Within the United Nations itself, and among all host-country and external partners, the role, function and identity of the RC is largely obscured by confusion associated with the dual, but subordinate role, as UNDP RR.   Resident Coordinators & Designated Officials are appointed by the UN SG and on this basis are credentialed with Heads of State and enjoy full diplomatic privileges and immunities. This fact is unrecognized by senior-most UN officials… who consistently introduce the UNRC as UNDP RR. And herein lies a paradox: RCs cannot openly advance or advocate the interests of the UNDP because of the "firewall.""*

3. *"The whole idea of having a more coherent UN system in country with stronger accountability framework is attractive. It is also very key to have one UN agency leading and coordinating on behalf of the system."*

4. *"In my opinion, the* (M&A) *framework is based on an erroneous premise of implicit conflict of interest between the UNDP and the RC function."*

5. *"The firewall has deprived the RC from access to UNDP resources without replacing those with independent or Agency resources. Despite best personal efforts, it is not yet clear that Agency Representatives perceive me as RC rather than UNDP RR; this is far worse still for counterparts, whether Government or donors, who either totally confuse the two posts or royally ignore the RC part."*

6. *"Take a less structural view of the firewall. As RC, UNDP is not my home agency but in practical terms UNDP has provided the most support to the RC function and has demonstrated more commitment to One UN actions. The firewall would be better interpreted as the RC and RCO providing support equally to all members of the UNCT."*

7. *"Based on my experience in a small UNCT and in the absences of a UNDP DRR or CD, the RC ends up working mostly as UNDP RR."*

8. *"UNDP has a large burden of responsibility, which is often taken for granted and not recognized. Ways need to be found to recognize this better--otherwise UNDP Operations staff who play many roles for the UN system as a whole in particular feel that their UN wide roles are being inadequately recognized. All UNDP* (country offices) *need to have at least a DRR if the RC/RR is to play the best possible role under both hats. This does not seem to be adequately recognized or acted on."*

If the firewall is to be successful in achieving the goal of a more coherent UN system at the country level, then it make sense to the extent that the desired objective is achieved. That objective is achieved when all entities (including NRAs) respect and recognize the role of the RC. That situation may not always exist, as evidenced by the following comments:

1. *"UNCT Agency Representatives meet with Head of State or Coordination Ministries or Line Ministries WITHOUT informing RC and do not inform RC of their discussions afterwards. RC on the other hand informs and consults with UNCT members before each meeting for inputs and often also prepares and sends reports of the meetings to the UNCT."*
2. *"It is not uncommon for UNCT members to deliberately exclude the RC from meetings with senior government officials, when, for instance, Special Envoys, or Directors General/Administrators visit the country."*
3. *"It would be good to know about some of the meetings, which agency heads have with Ministers beforehand if they have UN wide implications. This is not always the case."*
4. *"Mostly NRAs meet high level officials, conduct workshops and other activities without informing the RC before or after the event."*
5. *"Two entities … have teamed up and prefer to go on their own on everything excluding the other entities; same two entities take initiative on behalf of the UNCT without informing the UNCT and put other entities in a difficult position…."*
6. *"Visits to the President as the entities do not want this to change and remind you that you are only first among equals and that there is no explicit guidance on this issue. They say they have no written instructions that the RC should accompany visits to the head of state, which is why global written guidance is important. This is not my personal issue, it is systemic."*
7. *"Because there is no clear line of authority and some entities having regional mandate, the RC system is being side stepped."*
8. *"The code of conduct* (of the M&A framework) *seems to be difficult to implement for most entities."*
9. *"The RC does not have access to the technical expertise of the entities - they can all tell you they have other priorities. Interagency work is seen as an add-on. There is no support for the RC being the primary interlocutor at the head of state or Minister level."*
10. *"Still difficult to bring entities to work together on the ground and to have them look beyond their agency interest. Resources are more and more limited; therefore our role in the countries should be strategic. Most of the entities are looking for visibility and have the tendency to develop activities in the field, which are not sustainable and do not create the transformational change in a large scale."*
11. *"The framework demands all the accountability to the RC and very little from other members of the UNCT."*
12. *"Implementation of the M&A framework is predicated upon the expectation that RCs/ RCOs will deploy charm, charisma and brute leadership capacity against a tide of Agency's individual interests that are aggressively defended. In the absence of specific tools, such as the power of the purse in the context of joint-programs, there is little to induce entities to contribute to the collective good of the UNCT, even when this may be in their individual interest."*
13. *"Agency heads should be made a lot more accountable to implement what they have signed on to globally."*

14. *"Although Agency Reps show willingness and commitment to UNDG principles and guidelines, the instructions and signals coming from their Headquarters are constraining factors."*
15. *"The RC job is becoming increasingly frustrating and unrewarding. You have to be ethical and a good leader with everyone but they have no mutual responsibility to act the same way to you. Formal empowerment is needed and the anti UNDP biases of some entities should be put to bed."*
16. *"Genuine accountability to the UNCT is not in place for most entities. Until this is put in place, the rest of the framework becomes somewhat theoretical and cannot have a real impact on making the UNCT work as a team."*
17. *"The M&A Framework has not (it seems) been communicated directly by Agency HQ to their representatives. Therefore it remains for them a theoretical document."*

Annex F

Comments made on managerial issues of the RCS

These practices and issues are discussed briefly since they were outlined as concerns by some of those interviewed. No attempt is made to reach any conclusions on these issues, since they are of a complexity that go well beyond the capacity of this report to address effectively. They have however influenced this report.

a. Humanitarian support versus development support

Many interviewees compared the significant progress made in recent years on humanitarian coordination versus the more limited support on development coordination. As one individual phrased the issue – "the humanitarian side has revitalized itself, while the development side has not". It was noted that centrally, OCHA provided strong support to humanitarian operations. This is partly due to the greater availability of resources, both human and financial, that can be brought to bear on evolving situations. DOCO meanwhile operates with diminishing budgets, at least in recent years.

While noteworthy, the comparison needs to take into account the significant differences between humanitarian and development activities. Humanitarian operations tend to repeat themselves across a limited range of "crisis types" – although the scope and range of impacting factors may change significantly even within a single type of crisis. Donors generally respect the comparative advantage of multilateral channels in responding to humanitarian crises. Donors also allocate funding resources more quickly to humanitarian than to developmental crises. All parties recognize the critical importance of coordination in humanitarian crises given the tendency of each crisis story to be written in two chapters – the crisis and following that, how the crisis was handled. Most of these factors are much less present for the UN's development activities.

b. Less forceful "operational leadership" of RCS by UNDG

Many expressed concern over the inability of UNDG to mobilize the resources necessary to fund the RCS system appropriately. Some felt that UNDG had lost its field orientation and was now primarily a forum for discussing global inter-agency issues related to operational activities. This change of orientation in the UNDG was reflected in the evolving operations of DOCO. Some felt the quality of communications between DOCO and the field had weakened. Others felt that UNDG in its early years had "plucked the low-hanging fruit" and was now up against major UN structural issues on which it would be able to demonstrate only limited progress.

c. Absence of UNDP core-funded programmes

A number of representatives of entities with strong advocacy mandates expressed serious concern about the conflict of interest on the part of UNDP when it maintained one of its staff in the RC position in countries where it had no programmable core resources and its presence depended on: a) local-

resource funded projects for the government; and b) income for coordination services provided. In the former case, it was felt that UNDP essentially operates as a contractor for the government, a situation which it protects at the expense of delivering strong UN advocacy messages that might be unpopular with the government. It was argued that the RC position in such situations should be filled by someone from outside of UNDP. It was also noted that in a limited number of countries there is no RC because UNDP was simply not present.

d. Vision

A number questioned the future role of the UN in development. They noted that increasingly the UN was losing relevance as budgetary and sectoral support mechanisms take on added importance, two areas in which the UN cannot basically participate. Efforts by the UN to move upstream in the development process were not always supported by the capacity of the individuals to carry out such functions. While the UN can still play a coordinating role at the request of the government, fulfilling that role without resources to put on the table is a major challenge. Others noted that funding support for UN operational activities continues to come mainly from the traditional OECD/DAC donors, with new emerging powers generally pursuing their interests through bilateral channels or through multilateral modalities more oriented to global financial issues. This is clearly a challenge for the UN system – as global power shifts rapidly away from the traditionally-defined "developed countries" towards a series of rapidly developing emerging powers.

Two questions were posed: 1) what is the future role of the UN development system at the country level; and 2) who will provide the intellectual leadership that will lead to UN system change?

e. UNDAFs not strategic

A separate report on the UNDAF has been prepared. In the interviews carried out for this report, a number of comments were made. Many expressed concern with the results of the UNDAF process. The most common concern expressed was that the UNDAFs had become funding wish-lists, since so many activities listed in them were subject to eventual successful fund-raising from donors. Some considered that UNDAFs should be restricted to those entities that were able to bring to the process reasonably assured core and non-core funding that could be programmed on a multi-year basis. Excessive reliance on funds to be raised (largely from bilateral donors) at some point in the future meant that it would be the donors who were essentially setting the UN's priorities.

f. Lack of authority of agency country-level staff

Some noted that the effectiveness of the UNCT in setting programming directions was being seriously constrained by the inability of country-level staff to take decisions – resulting in all issues being referred to headquarters. This seriously inhibited that ability of the UNCT to make timely decisions.

g. The downside of "One Funds"

Some noted that the availability of pooled funds was leading to enhanced interest by many smaller entities who had no tradition of operations in the country, limited local knowledge, and limited delivery

capacity. Representatives of larger entities noted that their fund-raising efforts were being compromised by the implication that all funds raised must be for the use of the UNCT as a whole, flowing through the One Funds and being allocated according to its procedures.

Annex G - Contributions to One Funds in DaO Pilot Countries - 2009 & 2010							
Source: Annual One Fund Reports from UNDP/MDTF website							
Country		$			%		# of Other Donors
		Expanded Window	Other Donors	Total	Expanded Window	Other Donors	
Albania	2009	1,070,000	9,444,000	10,514,000	10.2%	89.8%	7
	2010	2,243,000	4,852,784	7,095,784	31.6%	68.4%	8
	Total	3,313,000	14,296,784	17,609,784	18.8%	81.2%	
Cape Verde	2009	1,018,000	732,280	1,750,280	58.2%	41.8%	4
	2010	1,800,000	2,669,500	4,469,500	40.3%	59.7%	4
	Total	2,818,000	3,401,780	6,219,780	45.3%	54.7%	
Mozambique	2009	7,491,000	8,541,402	16,032,402	46.7%	53.3%	6
	2010	20,779,200	2,620,000	23,399,200	88.8%	11.2%	6
	Total	28,270,200	11,161,402	39,431,602	71.7%	28.3%	
Pakistan	2009	10,000,000	18,763,278	28,763,000	34.8%	65.2%	6
	2010	6,000,000	15,236,222	21,236,222	28.3%	71.7%	6
	Total	16,000,000	33,999,500	49,999,222	32.0%	68.0%	
Rwanda	2009	17,219,000	7,637,930	24,856,930	69.3%	30.7%	5
	2010	9,840,000	4,341,840	14,181,840	69.4%	30.6%	5
	Total	27,059,000	11,979,770	39,038,770	69.3%	30.7%	
Tanzania	2009	11,831,000	17,179,565	29,010,565	40.8%	59.2%	8
	2010	6,661,000	20,667,171	27,328,171	24.4%	75.6%	8
	Total	18,492,000	37,846,736	56,338,736	32.8%	67.2%	
Uruguay	2009	1,020,000	2,963,150	3,983,150	25.6%	74.4%	3
	2010	1,197,000	326,925	1,523,925	78.5%	21.5%	3
	Total	2,217,000	3,290,075	5,507,075	40.3%	59.7%	
Viet Nam - Fund2	2009	10,531,000	14,417,047	24,948,047	42.2%	57.8%	11
	2010	4,568,000	10,600,060	15,168,060	30.1%	69.9%	10
	Total	15,099,000	25,017,107	40,116,107	37.6%	62.4%	
Total Contributions - all 8 pilot countries							
2009		60,180,000	79,678,652	139,858,374	43.0%	57.0%	
2010		53,088,200	61,314,502	114,402,702	46.4%	53.6%	
Total		113,268,200	140,993,154	254,261,076	44.5%	55.5%	
Decline 2010 over 2009		**11.8%**	**23.0%**	**18.2%**			
Average # Other Donors					**2009**	6.25	**2010** 6.25

Annex H

Selected Responses from Survey of RCs and UNCT Members[31]

Table 1 – Coherence Today versus Four Years Ago

Survey of UN Resident Coordinators and UN Country Teams				
In your country of assignment, how coherent would you say the UN development system is now compared to four years ago?				
	All UNCT Responses		RC Responses Only	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Much more coherent	25.7%	131	45.3%	34
Somewhat more coherent	44.7%	228	44.0%	33
About the same	11.2%	57	4.0%	3
Somewhat less coherent	2.0%	10	1.3%	1
Much less coherent	0.8%	4	0.0%	0
Don't know	15.7%	80	5.3%	4

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[31] based on data downloaded from survey site on April 23, 2012

Table 2 – Comparison of Average Ratings per Factor

Survey of UN Resident Coordinators and UN Country Teams		
If the UN development system has become more coherent in the past four years, to which factors do you attribute this improvement? Please rate the importance of each of the following measures in advancing UN coherence during this period.		
Comparison of Rating Averages for All Respondents and RC Respondents Listed high to low according to Rating Average of all UNCT Respondents		
Answer Options	**All UNCT Responses Rating Average**	**RC Rating Average**
An improved spirit of cooperation in the UN country team	3.61	3.69
The leadership of the UN Resident Coordinator	3.54	3.78
The commitment of the Government	3.15	3.30
Programming instruments and processes that are more streamlined and harmonized	3.13	3.19
Programme coordination groups that actively monitor UNDAF implementation	3.10	3.14
An adequately resourced UN Resident Coordinator's Office	3.09	3.41
Increased use of joint programmes	3.08	3.24
The new Management and Accountability System for the Resident Coordinator system	2.89	2.77
The support received from donors	2.71	2.57
Establishment of joint funding modality (e.g. MDTF, One Fund)	2.67	2.71
Establishment of harmonized business processes	2.60	2.55
Agreement on joint resource mobilization strategy	2.59	2.62
The adoption of a One-UN plan	2.59	2.50
The support received from DOCO	2.40	2.41
The support received from the UNDG regional team	2.37	2.46
Establishment of common premises	2.34	2.51

Table 3 – Responses of all UNCT Respondents

Survey of UN Resident Coordinators and UN Country Teams					
If the UN development system has become more coherent in the past four years, to which factors do you attribute this improvement? Please rate the importance of each of the following measures in advancing UN coherence during this period.					
Listed high to low based on rating average - all UNCT Respondents					
Answer Options	Very important	Somewhat important	Slightly important	Not important at all	Rating Average	Response Count
An improved spirit of cooperation in the UN country team	283	93	28	3	3.61	407
The leadership of the UN Resident Coordinator	260	110	25	8	3.54	403
The commitment of the Government	184	114	69	28	3.15	395
Programming instruments and processes that are more streamlined and harmonized	155	161	73	15	3.13	404
Programme coordination groups that actively monitor UNDAF implementation	157	154	62	28	3.10	401
An adequately resourced UN Resident Coordinator's Office	158	139	69	27	3.09	393
Increased use of joint programmes	158	145	76	25	3.08	404
The new Management and Accountability System for the Resident Coordinator system	106	175	88	30	2.89	399
The support received from donors	115	117	92	69	2.71	393
Establishment of joint funding modality (e.g. MDTF, One Fund)	115	111	86	79	2.67	391
Establishment of harmonized business processes	82	131	112	63	2.60	388
Agreement on joint resource mobilization strategy	80	136	108	65	2.59	389
The adoption of a One-UN plan	101	107	87	86	2.59	381
The support received from DOCO	49	130	133	75	2.40	387
The support received from the UNDG regional team	47	120	154	69	2.37	390
Establishment of common premises	76	95	96	118	2.34	385
answered question						418
skipped question						100

Table 4 – Responses of RC Respondents Only

Survey of UN Resident Coordinators and UN Country Teams						
If the UN development system has become more coherent in the past four years, to which factors do you attribute this improvement? Please rate the importance of each of the following measures in advancing UN coherence during this period.						
Listed high to low based on Rating Average -- RC respondents only						
Answer Options	Very important	Somewhat important	Slightly important	Not important at all	Rating Average	Response Count
The leadership of the UN Resident Coordinator	56	10	1	1	3.78	68
An improved spirit of cooperation in the UN country team	52	16	3	0	3.69	71
An adequately resourced UN Resident Coordinator's Office	44	13	6	5	3.41	68
The commitment of the Government	32	21	7	3	3.30	63
Increased use of joint programmes	32	22	12	2	3.24	68
Programming instruments and processes that are more streamlined and harmonized	31	24	10	4	3.19	69
Programme coordination groups that actively monitor UNDAF implementation	32	21	10	6	3.14	69
The new Management and Accountability System for the Resident Coordinator system	16	28	18	7	2.77	69
Establishment of joint funding modality (e.g. MDTF, One Fund)	23	15	9	16	2.71	63
Agreement on joint resource mobilization strategy	11	25	19	8	2.62	63
The support received from donors	16	19	16	14	2.57	65
Establishment of harmonized business processes	13	20	23	10	2.55	66
Establishment of common premises	14	22	12	17	2.51	65
The adoption of a One-UN plan	17	14	11	18	2.50	60
The support received from the UNDG regional team	10	22	25	11	2.46	68
The support received from DOCO	9	25	19	15	2.41	68
answered question						72
skipped question						6

Table 5 – Evidence of better linkage to country priorities

Survey of UN Resident Coordinators and UN Country Teams				
In your country of assignment, is there evidence that UN programmes are increasingly developed in response to the priorities identified by the recipient country?				
	All UNCT Responses		RC Responses Only	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Strong evidence	54.2%	274	68.4%	52
Some evidence	39.7%	201	31.6%	24
Little evidence	5.1%	26	0.0%	0
No evidence	1.0%	5	0.0%	0

Table 6 – Main Factors for Improved Coherence in the Future

Comparison of Average Ratings per Factor

Survey of UN Resident Coordinators and UN Country Teams				
Looking to the future, how effective would the following measures be in improving UN coherence at the country-level?				
Listed high to low based on Rating Average for all UNCT Respondents				
	All UNCT Respondents		RC Respondents	
Answer Options	Rating Average	Response Count	Rating Average	Response Count
Sending clear signals from agency headquarters advocating more UN coherence at country-level	3.41	490	3.89	75
Further streamlining of the programming instruments and processes	3.41	486	3.70	73
Harmonizing the agencies' results-based management systems	3.32	491	3.49	74
Increasing harmonization of business processes	3.27	487	3.69	74
Providing the Resident Coordinator's Office with greater resources	3.27	493	3.89	74
Harmonizing the agencies' reporting procedures	3.26	494	3.60	75
Enhancing the role of programme coordination groups	3.23	492	3.38	73
Fully implementing the Management and Accountability System for the Resident Coordinator system	3.15	484	3.15	74
Requesting UN country teams to set annual and multi-year targets for increasing coherence	3.09	491	3.10	72
Giving the Resident Coordinator a stronger coordination role over all the UN country team members	2.77	489	3.71	73
Giving the Resident Coordinator a stronger coordination role over all the UN funds and programmes	2.69	491	3.63	75
Establishing common premises	2.54	489	2.93	73
Providing the UNDG Regional Team with greater resources	2.54	486	2.73	74

Table 7 – Future Factors for Improving UN Coherence

Survey of UN Resident Coordinators and UN Country Teams								
Looking to the future, how effective would the following measures be in improving UN coherence at the country-level?								
Listed high to low - by % of respondents who consider measure would be effective to some degree								
Answer Options	Very effective	Somewhat effective	Slightly effective	Total - effective		Not effective at all		Response Count
	#	#	#	#	%	#	%	
Sending clear signals from agency headquarters advocating more UN coherence at country-level	290	122	68	480	**98.0%**	10	2.0%	490
Fully implementing the Management and Accountability System for the Resident Coordinator system	179	210	82	471	**97.3%**	13	2.7%	484
Providing the Resident Coordinator's Office with greater resources	258	133	77	468	**94.9%**	25	5.1%	493
Giving the Resident Coordinator a stronger coordination role over all the UN country team members	176	119	101	396	**81.0%**	93	19.0%	489
Giving the Resident Coordinator a stronger coordination role over all the UN funds and programmes	151	135	108	394	**80.2%**	97	19.8%	491

Table 8 – Future Factors for Improving UN Coherence

Responses of all UNCT Respondents

Survey of UN Resident Coordinators and UN Country Teams						
Looking to the future, how effective would the following measures be in improving UN coherence at the country-level?						
Listed high to low - all UNCT Respondents						
Answer Options	Very effective	Somewhat effective	Slightly effective	Not effective at all	Rating Average	Response Count
Further streamlining of the programming instruments and processes	265	164	46	11	3.41	486
Sending clear signals from agency headquarters advocating more UN coherence at country-level	290	122	68	10	3.41	490
Harmonizing the agencies' results-based management systems	245	174	55	17	3.32	491
Increasing harmonization of business processes	239	160	70	18	3.27	487
Providing the Resident Coordinator's Office with greater resources	258	133	77	25	3.27	493
Harmonizing the agencies' reporting procedures	240	166	62	26	3.26	494
Enhancing the role of programme coordination groups	201	218	56	17	3.23	492
Fully implementing the Management and Accountability System for the Resident Coordinator system	179	210	82	13	3.15	484
Requesting UN country teams to set annual and multi-year targets for increasing coherence	186	196	75	34	3.09	491
Giving the Resident Coordinator a stronger coordination role over all the UN country team members	176	119	101	93	2.77	489
Giving the Resident Coordinator a stronger coordination role over all the UN funds and programmes	151	135	108	97	2.69	491
Establishing common premises	121	120	152	96	2.54	489
Providing the UNDG Regional Team with greater resources	95	151	163	77	2.54	486

Table 9 – Future Factors for Improving UN Coherence

Responses of RC Respondents Only

Survey of UN Resident Coordinators and UN Country Teams						
Looking to the future, how effective would the following measures be in improving UN coherence at the country-level?						
Listed high to low - RC Respondents only						
Answer Options	Very effective	Somewhat effective	Slightly effective	Not effective at all	Rating Average	Response Count
Providing the Resident Coordinator's Office with greater resources	68	4	2	0	3.89	74
Sending clear signals from agency headquarters advocating more UN coherence at country-level	68	6	1	0	3.89	75
Giving the Resident Coordinator a stronger coordination role over all the UN country team members	57	11	5	0	3.71	73
Further streamlining of the programming instruments and processes	54	16	3	0	3.70	73
Increasing harmonization of business processes	53	19	2	0	3.69	74
Giving the Resident Coordinator a stronger coordination role over all the UN funds and programmes	54	15	5	1	3.63	75
Harmonizing the agencies' reporting procedures	53	15	6	1	3.60	75
Harmonizing the agencies' results-based management systems	48	16	8	2	3.49	74
Enhancing the role of programme coordination groups	38	26	8	1	3.38	73
Fully implementing the Management and Accountability System for the Resident Coordinator system	32	25	13	4	3.15	74
Requesting UN country teams to set annual and multi-year targets for increasing coherence	32	23	9	8	3.10	72
Establishing common premises	24	22	25	2	2.93	73
Providing the UNDG Regional Team with greater resources	19	21	29	5	2.73	74

Table 10 – Measures to reduce the burden on governments

Survey of UN Resident Coordinators and UN Country Teams				
Have any programme related measures been taken by the UNCT over the last four years that reduced the burden on the government when dealing with the UN system?				
	All UNCT Respondents		RC Respondents	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Yes	62.7%	292	84.9%	62
No	37.3%	174	15.1%	11

Table 11 – Non-core funding and country's needs and priorities

Survey of UN Resident Coordinators and UN Country Teams				
UN agencies receive contributions from donors for specific programmes and projects in addition to their regular (core) funds. In general, such additional donor-funded activities are less relevant to the country's needs and priorities:				
	All UNCT Respondents		RC Respondents	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Strongly agree	4.9%	25	2.7%	2
Somewhat agree	15.8%	80	8.2%	6
Somewhat disagree	27.5%	139	27.4%	20
Strongly disagree	48.2%	244	60.3%	44
Don't know	3.6%	18	1.4%	1

Table 12 – Non-core funding and UN's priorities

Survey of UN Resident Coordinators and UN Country Teams				
From your observations, the growth in non-core/extrabudgetary/earmarked resources available to UN agencies has lessened the UN's ability to strategically plan its support:				
	All UNCT Respondents		RC Respondents	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Strongly agree	16.3%	82	16.2%	12
Somewhat agree	35.4%	178	36.5%	27
Somewhat disagree	23.9%	120	24.3%	18
Strongly disagree	17.5%	88	17.6%	13
Don't know	7.0%	35	5.4%	4

Table 13 – Comparison – Impact of non-core funding on country and UN priorities

Survey of UN Resident Coordinators and UN Country Teams				
This a combined response to two separate questions which are addressed in the two previous tables. Although the questions were not worded identically, this table compares how all UNCT respondents view the impact of non-core funding on the ability to pursue 1) the country's priorities and 2) the UN's priorities. "Strongly agree" means non-core is not aligned with priorities, while "Strongly disagree" means that non-core can be aligned with priorities.				
	Country Priorities		UN Priorities	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Strongly agree	4.9%	25	16.3%	82
Somewhat agree	15.8%	80	35.4%	178
Somewhat disagree	27.5%	139	23.9%	120
Strongly disagree	48.2%	244	17.5%	88
Don't know	3.6%	18	7.0%	35

Table 14 – DaO as Future Model for all UN country presence

Survey of UN Resident Coordinators and UN Country Teams		
Do you agree with the following statement? - "I expect that 'Delivering as One' will become the new business model for UN development cooperation at country level".		
Answer Options	Response Percent	Response Count
Yes	53.8%	28
No	13.5%	7
Don't know	32.7%	17
	answered question	52
	skipped question	26

Table 15 – Future measures to engage all NRAs

Survey of UN Resident Coordinators and UN Country Teams				
Taking all factors into consideration, particularly the UN's effectiveness, efficiency and coherence, greater efforts should be made to involve non-resident UN agencies in the activities of the UNCT.				
	All UNCT Respondents		RC Respondents Only	
Answer Options	Response Percent	Response Count	Response Percent	Response Count
Strongly agree	37.8%	187	38.7%	29
Somewhat agree	40.4%	200	42.7%	32
Somewhat disagree	12.7%	63	16.0%	12
Strongly disagree	5.9%	29	2.7%	2
Don't know	3.2%	16	0.0%	0

Table 16 – Tools to measure future improvements

Survey of UN Resident Coordinators and UN Country Teams					
Do you feel the tools exist for you, the UNCT, or the national partners to assess whether the UN's response is becoming more collective, coherent or integrated? Relevant tools could include the establishment of indicators and targets for measuring progress in these areas.					
This question was limited to RCs who had prepared UNDAFs in 2010 or 2011					
	Yes		No		
Answer Options	#	%	#	%	Response Count
Collective	41	54%	35	46%	76
Coherent	38	50%	38	50%	76
Integrated	33	44%	42	56%	75

Annex I

Selected Responses from Survey of Programme Country Governments[32]

Table 1

Survey of programme countries on UN operational activities for development										
All things considered, please indicate how the relevance of the UN to your country's development needs has changed in the past four years:										
Answer Options	Much more relevant		Somewhat more relevant		Somewhat less relevant		Much less relevant		Don't know		Response Count
Rating	31	28.4%	61	56.0%	15	13.8%	1	0.9%	1	0.9%	109

Table 2

Survey of programme countries on UN operational activities for development							
To reduce the workload on national partners, how important is it for the UN to take the following measures?							
Listed from high to low on Rating Average							
Answer Options	Very important	Somewhat important	Slightly important	Not important	Don't know	Not applicable	Rating Average	Response Count
Use a single format for annual work plans	87	15	3	2	0	2	3.75	109
Plan joint monitoring missions and evaluations when working in the same thematic area	86	19	3	2	0	0	3.72	110
Use a single format for progress reports	81	22	2	3	0	2	3.68	110
Simplify the UNDAF and agency country programming or planning processes	71	27	4	3	1	3	3.55	109
Designate a lead agency for some thematic issues to represent a common UN approach in the country	67	34	8	0	0	1	3.54	110
Consolidate its country presence under a single head who is accountable for all UN assistance	65	27	8	4	1	4	3.44	109
Share more services in areas such as procurement, human resources and information technology	53	38	10	4	1	2	3.30	108
Share office premises	41	28	25	8	1	4	2.97	107

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[32] Based on data downloaded from survey site on April 25, 2012

Table 3

Survey of programme countries on UN operational activities for development										
Many UN agencies receive contributions from donors for specific programmes or projects in addition to their regular (core) funds. In general, such additional donor-funded activities are less relevant to your country's needs and priorities:										
Answer Options	Strongly agree		Somewhat agree		Somewhat disagree		Strongly disagree		Don't know		Response Count
	#	%	#	%	#	%	#	%	#	%	
Rating	5	4.6%	31	28.7%	38	35.2%	32	29.6%	2	1.9%	108

Table 4

Survey of programme countries on UN operational activities for development										
UN joint funding mechanisms (multi-donor trust funds, One UN Funds) have led to greater UN coherence:										
Answer Options	Strongly agree		Somewhat agree		Somewhat disagree		Strongly disagree		Don't know		Response Count
	#	%	#	%	#	%	#	%	#	%	
Rating	31	29.2%	45	42.5%	8	7.5%	2	1.9%	20	18.9%	106

Table 5

Survey of programme countries on UN operational activities for development								
The activities of the UN and your country's development needs and priorities are:								
Answer Options	Very closely aligned		Closely aligned		Somewhat aligned		Not aligned at all		Response Count
	#	%	#	%	#	%	#	%	
Rating	25	22.5%	67	60.4%	18	16.2%	1	0.9%	111

Table 6

Survey of programme countries on UN operational activities for development						
All things considered, the UN is efficient in providing its support to your country:						
	Income group					
Answer Options	**Low Income Country (LIC)**	**Lower Middle Income Country (LMC)**	**Upper Middle Income Country (UMC)**	**Other Income Country**	**Rating Average**	**Response Count**
Strongly agree	8	12	4	1		
Somewhat agree	28	28	13	4		
Somewhat disagree	2	1	2	1		
Strongly disagree	1	1	0	0		
Don't know	0	0	1	0		
	3.10	3.21	3.11	3.00	3.14	107

Annex J

Conclusions and Lessons Learned from the DaO Evaluation

Note: based on DaO Evaluation draft report of April 10, 2012 which may not be final

Conclusions

1. It is concluded that the relevance of DaO to the pilot countries has been strong.

2. It is concluded that the effectiveness of DaO has been moderate.

3. It is concluded that the efficiency of DaO has been weak.

4. It is concluded that the likelihood of sustainability of DaO is moderate.

Lessons Learned

Part 1. What has been learned by / from the DaO experience?

Lesson 1: Voluntary adoption of the DaO approach by national Governments of programme countries has greatly contributed to their ownership and leadership of the reform process.

Lesson 2: The DaO pilot process has shown that the UN system is able to tailor its country level presence to respond to the specific needs and priorities of very different countries, including Least Developed and Middle-Income Countries.

Lesson 3: The DaO approach is found to enable Members States to gain enhanced access to the range of expertise and resources of the UN system for the purposes of their development agendas.

Lesson 4: The DaO pilots have shown that there are limits to what can be achieved with voluntary coordination through existing systems, which are very diverse. Given the fact that each UN organization has its own governance structure, mandate and culture, individual agencies remain the primary unit of account for performance and management.

Lesson 5: DaO allows the UN system to more adequately address cross-cutting issues in developing countries with the added benefit of enhancing its ability to support the Governments on other multidisciplinary development issues (e.g. poverty, child mortality or local governance).

Lesson 6: The DaO experience has shown that the promotion of gender equality and women's empowerment can be effectively pursued with full management commitment, adequate staff incentives and monitoring of results.

Lesson 7: While other UN reform initiatives have focused on specific aspects of programming, funding, management and accountability, the uniqueness of DaO is that it considers all these aspects in an interlinked package composed of "the Four Ones".

Lesson 8: The One Budgetary Framework / One Fund approach has enabled the government leadership role and fostered a close interaction between Governments, donors and UN agencies at the country level throughout the resource management cycle. In this way, it has ensured a better alignment with and more flexible responses to national priorities. It also offers some potential to reduce donors' preference for earmarked funding.

Lesson 9: UNCTs, with the support of RCOs, in pilot countries are approaching the limits of what can be achieved in terms of reducing transaction costs and increased efficiency through country level innovations.

Lesson 10: Only significant systemic change could make country level coordination easier and cheaper.

Part 2. What has been learned about issues that require decision-making by UN organizations, drawing on existing TCPR/SWC mandates, which would have enabled further advancement?

Lesson 11: There is currently a lack of clarity and shared vision among UN organizations and stakeholders concerning the desirable extent of integration and how it can best be achieved, including on how coordination is perceived and approaches to enhance coordination.

Lesson 12: The One Programme has not led to one line of accountability and this has implications for the measurement of performance, which remains primarily within organisations.

Lesson 13: There must be clear and transparent accountability for the contribution of the results of the "One Team", combined with incentives to all involved UN staff, if the current levels of motivation around Delivering as One are to be maintained.

Lesson 14: On numerous occasions, localised "solutions" have been found to present management challenges at corporate levels. Whilst solving one issue, new approaches have often created a countervailing challenge at corporate level, where efficiency is characteristically achieved through standardization, rather than through the acceptance of diversity. Since so many high level systemic elements have not been changed, the marginal cost of enhanced coordination at country level is increasing. Only significant systemic change could make country level coordination easier and cheaper.

Lesson 15: There is currently an unintentional and undesirable side effect of the principle "One Size Does Not Fit All", in that UN system-wide transparency in terms of financial data beyond the One Fund cannot be achieved under the current approach to DaO documentation. While the approach has been productive in giving space for experimentation in the pilot countries, if it were to be more widely adopted, the UN system would need to evolve a set of standardised (or at least easily comparable) operational and reporting tools, including definitions and templates for key elements in country programming, fund management and implementation, covering not only the One Fund but all activities of the UNCT.

Lesson 16: Within the DaO pilots, it has been demonstrated that transferring resources and authority for managing and allocating some unearmarked funds to the country level allows a better and more flexible response to the needs of programme

countries. However, as this process has been on a pilot and experimental basis, there have also been shortcomings and flaws. For this new approach to work, the reporting systems covering the activities of the UNCT need considerable strengthening in order to create the conditions for a system-wide approach. This cannot be achieved without support from corporate levels.

Lesson 17: Improvements in country-level accountability and reporting systems of new DaO funding mechanisms are still necessary in order to satisfy expectations of donors.

Lesson 18: The successful application of the concept of working for the system rather than for one agency demonstrated by the role of the MPTF Office for the One Funds offers a model that could be adapted to the broader range of support services that UNDP performs on behalf the UN system.

Part 3. What has been learned about what requires reform through the QCPR process and / or in governing bodies of individual agencies?

Lesson 19: DaO has not been fully institutionalized and requires further engagement by inter-governmental structures and processes. One Programme documents, notably Common Country Programme Documents, still need separate approval by the Executive Board of each Fund and Programme, while UNDAP documents are potentially to be considered by the governing bodies of all involved agencies. Member States may wish to explore options to streamline governance procedures to make approval of One Programmes and related mechanisms more efficient.

Lesson 20: The current RC system has serious limitations in terms of the RC's ability to coordinate the UN operational activities and ensure financial transparency. Governing bodies of UN organizations would need to approve considerable modification of their current accountability frameworks if they wished to allow RCs to take full financial responsibility for resources made available through individual agency internal control frameworks and to be accountable for results achieved.

Lesson 21: Funding is a major driver of organisational change and the One Fund has proved an important incentive for agencies to work together. The One Fund is not limited to agencies' mandates and it is also less earmarked and more predictable than other forms of non-core funding. These characteristics make it a valuable addition to traditional core and non-core funding and give it the potential to address a broader range of the needs and priorities of programme countries than do traditional core and non-core funding, which are limited to those addressed by the agencies mobilizing the resources.

Lesson 22: The DaO pilot experience, including related reform attempts at the systemic level, have clarified the urgent need for inter-governmental leadership and decision-making to insist more vigorously on further simplification and harmonization of business practices. This should encompass the areas of planning,

reporting and evaluation, as well as human resource rules and procedures, financial management and reporting, and such support services as procurement and information technology. This will require time and resources, but if adequately supported by the various governance structures, this could catalyse the convergence of key management systems and processes, enabling the development of one corporate vision and approach of the UN system despite its diversity.

Part 4. What has been learned about issues that are beyond the DaO experience?

Lesson 23: Although there is a need for more system-wide coherence at the systemic level, it is important to maintain the principle that individual programme countries should be free to choose the approach to their partnership with the UN syem that most suits their national priorities and needs.

Lesson 24: In the interest of greater burden-sharing and of ensuring the sustainability and potentially wider dissemination of the approach, it should be considered to expanding its funding base. This would also entail attracting resources from countries outside the traditional donor community, which are in a position to contribute to funding of the UN development system.

Lesson 25: Many stakeholders, in Member States and within the UN system, perceive DaO to be a relatively limited and unambitious reform package. Whilst its efforts at reform are often positively assessed, many stakeholders believe that DaO is not the radical approach required to put the UN system onto a new track in development. They feel that bolder measures should be enacted through discussion and agreement at the highest levels of the system, notably through a concerted vision of reform emanating from Member States.