

## ADDITIONAL BACKGROUND INFORMATION

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Conference room paper

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#### **Operational activities of the United Nations for international development cooperation: follow-up to policy recommendations of the General Assembly**

### **EVALUATION OF THE COMMON COUNTRY ASSESSMENT AND THE UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK**

#### *Summary*

This conference room paper responds to the request of paragraph 47 of the General Assembly resolution 56/201, which requested the Secretary-General to undertake an evaluation of the progress of the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) processes and their impact on the field of operational activities, as an integral part of the triennial comprehensive policy review (TCPR) of operational activities in 2004. The Department of Economic and Social Affairs (DESA) undertook this evaluation, which has been summarized in the report of the Secretary-General on the TCPR (document A/59/85-E/2004/68). This conference room paper complements that report with further details. It draws from an assessment conducted by two external evaluators as well as from a desk review undertaken by DESA on the basis of the documentation made available by the Office of the United Nations Development Group. The findings reported in this paper are also based on the outcome of an extended consultation undertaken for the preparation of the 2004 TCPR.

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## **A. Introduction**

1. In paragraph 47 of its resolution 56/201, the General Assembly requested that the Secretary-General undertake an evaluation of the progress of the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) processes and their impact on the field of operational activities, as an integral part of the triennial comprehensive policy review of operational activities in 2004. It also requested a report, through the Economic and Social Council at its substantive session of the same year, on the results of such an evaluation, including lessons learned and recommendations made, for consideration by the General Assembly at its fifty-ninth session. The Secretary-General responded to this request by undertaking this analysis in collaboration and consultation with the UN system and Member States. DESA carried out a desk review of relevant documentation made available by the Office of the United Nations Development Group (DGO), and commissioned two external evaluators to assess progress achieved. The findings of these activities have been integrated with the outcome of other consultation processes initiated for the preparation of the 2004 TCPR. A summary of this evaluation has been included in the report of the Secretary-General on the TCPR (document A/59/85-E/2004/68). This conference room paper complements it with further details, drawing from the assessment of the two external evaluators, as well as from the desk review undertaken by DESA.

## **B. Background: the CCA and the UNDAF processes**

2. The CCA and the UNDAF are two key instruments intended to bring greater coherence in the assessment and in the programming, respectively, of operational activities for development of the UN system at the country level. Thus far, these tools have been the most visible attempts made in recent years at achieving consistency in, and enhancing coordination of, the UN system's operations at the country level. They form part of the Secretary-General's agenda for reforms that were launched in 1997 and further developed in 2002; the CCA had already been introduced in a preliminary form in 1995.

3. The CCA is the UN system's common instrument to analyze the national development situation in a country, identify key development issues in light of internationally agreed development goals and recognize root causes and social dimensions of main development challenges.

4. The UNDAF, often referred to as the business plan of the UN system, is the common strategic framework for the operational activities of the UN system at the country level and is expected to provide a collective, coherent and integrated response to national priorities and needs. As envisioned, the UNDAF is the product that emerges from the analysis of the CCA and is the next step in the preparation of UN system country programmes and cooperation projects.

5. Objectives of the two processes are the following: the aim of the CCA process is to forge a common in-depth understanding among development partners of the key challenges faced in the country through a common analysis of the development situation, taking into account national needs and priorities, while translating the internationally agreed development goals, in particular the Millennium Development Goals (MDGs) and human rights instruments<sup>1</sup>, in terms that are relevant to the country; the intended role of the UNDAF is to provide a common frame of reference to programming of UN system operational activities in a way

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<sup>1</sup> UNDG, CCA and UNDAF Guidelines for UN Country Teams, Oct. 2003.

that will coherently respond to national priorities and needs and, at the same time, be consistent with internationally agreed commitments, goals and targets as those expressed in the Millennium Declaration and other global conferences and summits. It is essential that the UNDAF be harmonized with the thrust and objectives of the national development frameworks and strategies adopted by the Government, including the Poverty Reduction Strategic Paper (PRSP) or similar framework.

### **C. Criteria for the evaluation**

6. Did the introduction of tools such as the CCA and the UNDAF produce the desired impact on the UN system and recipient countries? Do they generate an undesired additional burden or transaction costs for the UN organizations and their national counterparts? These concerns are the basis of the requests of the General Assembly for an evaluation of UNDAF in resolution 53/192 (para.63), at the end of the 1998 TCPR, and a similar request contained in resolution 56/201 at the end of 2001 TCPR, for an evaluation of both the CCA and the UNDAF.

7. The present evaluation is based on the guiding principles and orientations that the General Assembly and ECOSOC expressed since 1998, and is conducted along the directions that ECOSOC set forth in its resolution 2003/3 (see Appendix). It takes into account the various generations of guidelines that the United Nations Development Group (UNDG) prepared to implement those guiding principles, as well as the relevant orientations of the Secretary-General's reforms of the United Nations in this matter, as illustrated in the Appendix.

8. The evaluation main thrust is to determine the two instruments' ability to enhance the UN system's capacity for providing more effective development support to recipient countries by allowing them to achieve better development results and outcomes through increased coherence, efficiency and quality of country-level programming as regards UN system operational activities for development.

9. This evaluation draws on a number of sources, in particular the assessment commissioned by DESA and undertaken by external evaluators<sup>2</sup>, which represents the "external" segment of this evaluation<sup>3</sup>. While the external evaluators undertook specific missions in four countries<sup>4</sup>, this evaluation also takes into account the evidence of other missions that DESA undertook in another 10 countries<sup>5</sup> for the preparation of the TCPR, as well as the outcome of widespread consultation processes with the UN system, desk reviews and questionnaires addressed to Member States.

10. In regard to the impact of the CCA and the UNDAF on the UN system, the evaluation addresses the following issues:

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<sup>2</sup> Devendra Raj Panday and Rodolfo C. Severino, "2004 External Evaluation of the Common Country Assessment and the UN Development Assistance Framework", New York, April 2004. Dr. Panday, former Minister of Finance and head of Development Cooperation (Government of Nepal), is currently active in civil society. Mr. Severino, former Secretary-General of the Association of Southeast Asian Nations (ASEAN) in 1998-2002, and Under-Secretary of Foreign Affairs (Government of the Philippines), was on the faculty of the Asian Institute of Management in Manila at the time of the assessment and is now a Visiting Senior Research Fellow at the Institute of Southeast Asian Studies in Singapore.

<sup>3</sup> The full report of the external evaluators is available on request to complement the information of this conference room paper.

<sup>4</sup> Kenya, Kyrgyzstan, Madagascar and Pakistan.

<sup>5</sup> In Sub-Saharan Africa: Benin, Ethiopia and Zambia; in Latin America: Bolivia, Guatemala and Paraguay; in Asia: Indonesia and Laos; in Arab States: Egypt; and in CIS countries: Uzbekistan.

- (i) What has been the operational impact of both of the CCA and the UNDAF on the functioning and effectiveness of the UN system at the country level and on each organization?
- (ii) Did the CCA and the UNDAF have any value in achieving greater programmatic coherence and efficiency in the UN system's operational activities for development at the country level?
- (iii) What is the relationship that both the CCA and the UNDAF have with programming processes of each organization of the system and their relevance for these agency processes?
- (iv) What are the level and the extension of participation by the various organizations of the UN system in the formulation of the CCA and the UNDAF and their follow-up? What type of participation and involvement is ensured for the BWIs and other development partners of the UN system?

11. As regards the impact of these two tools on the recipient countries, the following fundamental issues were addressed:

- (i) What is the value added of the CCA and the UNDAF, respectively, for the recipient countries, especially in development terms? What is the substantive contribution of the CCA to the analysis of development challenges?
- (ii) What are the relationship, alignment and integration that both the CCA and the UNDAF have with the internationally agreed development goals and their implementation at the country level?
- (iii) What are the relationship and the state of integration of the CCA and the UNDAF with national development strategies, including national poverty reduction strategies (PRS), when available?
- (iv) What is the level and type of national participation, leadership and ownership in both processes?
- (v) What are the implications of both processes in terms of burden (i.e. transaction costs) for recipient countries?

#### **D. Overall status of the CCA and the UNDAF**

12. As of May 2004, some 106 countries had prepared CCAs (they were 76 in April 2001), and 85 countries had prepared UNDAFs, as compared with only 28 countries that had completed the UNDAF by April 2001. When the first pilot<sup>6</sup> for UNDAF was introduced in 1997, only a group of 18 countries was involved.

13. The launch of both instruments at the country level is generally linked to the pre-condition that programming cycles of the four funds and programmes of the UNDG Executive Committee – i.e. UNDP, UNICEF, UNFPA and WFP – be harmonized, although

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<sup>6</sup> The UNDAF is still being implemented as a pilot exercise (see General Assembly resolution 56/201, para.33), which can be interpreted as the condition that justifies the request for an evaluation of UNDAF, repeated twice in the 1998 and the 2001 TCPR. The General Assembly requested the evaluation of the CCA only in the occasion of the 2001 TCPR.

this ideal condition has not always been met, and it was definitely not required when both tools were first introduced. By May 2004, these funds and programmes had harmonized their programming cycle in 101 countries.

14. Most processes had been completed by the year 2002. About fifteen countries have completed CCAs between 2003 and 2004 under a new set of guidelines. Sixteen countries have completed two rounds of CCAs, while eleven countries have completed two rounds of UNDAFs. At this stage, after the initial effort to implement both tools on a wide geographical basis, the time sequence of introducing new versions of the CCA and the UNDAF is completely dependent on the requirements of the harmonization of programming cycles of the four funds and programmes. Seventy-five countries are scheduled to prepare their CCAs and UNDAFs in 2004 and the next two years.

#### **E. Assessment of the quality of the CCA and the UNDAF documents**

15. Before evaluating the impact of the CCA and the UNDAF on the UN system and the recipient countries, it is necessary to consider the quality of the actual documents that are the products of the two processes. Their quality varies from country to country but, in those countries that have prepared a second generation of CCAs and UNDAFs, the external evaluators noted a specific improvement, particularly in terms of greater focus on select core issues.

16. The analytical credibility of the CCA is crucial in many ways:

- As an instrument to provide new perspectives in the analysis of directions in which the country is going and the challenges that it faces;
- As a basis for identifying where the UN system should strategically position itself to support the country in tackling its multitude of development problems; and
- As a basis to establish a collaborative partnership between the UN system and other development agents.

17. The last review in 2001 noted the uneven quality of the CCAs, the weaker ones being unable to provide in-depth analysis of underlying causes of development problems. Better quality has been achieved since then as the outcome of several factors, although results vary from country to country. Nevertheless, it is not only the quality of the analysis in the CCA that matters but also the benefits from opening a larger perspective in addressing development problems that the CCA and, consequently, the UNDAF encourage.

18. Improved document quality reflects the outcome of a more active involvement of UN country teams in both processes, as well as the enhancement of the technical inputs that they provided in the formulation of the respective documents. It also reflects the technical support that the UN country teams received from headquarters and their regional structures. This increase in the direct involvement of staff from country teams coincides with a considerable reduction in the use of consultants in the formulation of both the CCA and the UNDAF. As a consequence, the amount of time and resources committed by the UN system at the country level in undertaking these processes have considerably increased.

19. A UNDG Learning Network conducted regular monitoring of the quality of the CCAs and UNDAFs. More recently, the Quality Support and Assurance (QAS) mechanism, which is mainly a Readers' Group consisting of specialists in the regional technical offices of UNDG ExCom organizations and some specialized agencies, has started conducting the

reviews of both tools, although the primary responsibility for quality assurance lies with the UN country team. The QAS is an opportunity for singling out discrepancies between the analyses and statistical trends as well as scrutinizing inconsistencies in the use of data. It is, however, too soon to assess the impact of the QAS and its performance as a means to enhance the quality of these tools.

20. These monitoring mechanisms indicate that many of the CCA documents that have been reviewed are of good quality, sometimes exceeding expectations, especially where disaggregate data were available and used to support in-depth analysis. The use of a number of analytical devices, including the so-called “problem tree”, in the CCA appears to have helped narrow down the number of priority areas, thereby overcoming the tendency of individual agencies to press for the inclusion of all of their specific concerns, which might blur the focus on overall national priorities. The use of the root cause analysis has produced uneven results and may require some improvements. In general, apart from editorial improvements, better quality may require further efforts to ensure greater analytical rigour and focus.

21. There is some evidence that the CCA could also be improved by addressing more directly capacity gaps at the national level, so that the mechanism could provide clearer guidance to the UN system’s efforts to promote capacity building, which is at the core of the UN system’s operational activities for development.

22. Good analysis in the CCA, however, has not always translated into well-defined strategies in the UNDAF, particularly in the areas of gender-related and governance issues. Efforts in mainstreaming gender and rights-based approaches in the CCA have become more visible, but there has not been success in fully reflecting them in programming strategies as they are expected to appear in the UNDAF. There are a number of reasons why this discrepancy may occur, e.g. difficulties in harmonizing analytical and programming work, including differences in data availability for analytical purposes and strategic operational programming.

23. The analysis of available UNDAF documents shows that, in some cases, time-bound targets are not always adequately indicated, or the selection and measurement of results indicators had not been effectively made, especially in terms of capacity improvements. Inadequate availability of disaggregate data at local level and by sectors is an obstacle to achieving effective results orientation in the UNDAF process. The introduction of the UNDAF results matrix appears to be a useful means to enforce discipline and accountability in the process, contributing to the establishment of strategic links between UNDAF outcomes and UN agencies’ country programmes.

#### **F. Cost-effectiveness and transaction costs: replacement effect of the CCA and the UNDAF**

24. Several UN officials acknowledged, and the external evaluators confirmed, that the preparation of the CCA and the UNDAF have added an additional burden in terms of time, energy and resources to the requirements for the preparation of the documentation necessary to design a country-level strategy, and may be justified only if the “common” documents or processes produce adequate value added for the agencies as a whole and the country.

25. This additional burden – or transaction costs – both for the UN system and the recipient country should be compared with possible savings or efficiency gains that are

derived from the introduction of the CCA and the UNDAF. However, it still remains difficult to assess the impact of the CCA and the UNDAF processes on the system's cost effectiveness in the exercise of its planning, programming, implementation, and monitoring functions, while their direct effects on the workload of the UN country team and other officials involved in their preparation are clearly visible. Increased efficiency has taken the form of harmonizing the programming cycles, adopting common formats in a number of operational procedures and introducing unified processes. It was expected that the CCA would replace the individual agency situational assessment and the UNDAF would serve as a common country programming framework. Joint resource mobilization was also expected to reduce transaction efforts by simplifying relationships with donors.

26. The 2001 evaluation did not bring any conclusive evidence on the impact of the CCA and the UNDAF as replacements of other documents or mechanisms. The current external assessment confirms a similar situation, since there is not enough evidence to show that the CCA has replaced separate country assessments by the individual funds, programmes and agencies. In general, the external evaluators concluded that individual agencies that participate in the CCA process continue to produce their own analyses and assessments, since the "common" document may not provide the necessary information required for agency-specific programming or are relevant for the mandates of each specific agency. Moreover, in the case of organizations such as the UNCTAD and ITC, for which the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries (IF), together with the World Trade Organization, the International Trade Centre, UNDP, the World Bank and the IMF, represent a more relevant tool to harmonize external assistance in the area of trade and development, there is not enough interest in getting involved in the CCA and the UNDAF, to the extent that the economic content of these two instruments is limited.

27. The existence of "too many UN reports" issued at the country level has been echoed in the external assessment, especially keeping in mind the need to reduce transaction costs of UN development cooperation. "It would appear odd, for example, if somehow the enormous work done in producing the global and national human development reports would not find its use in the CCA/UNDAF exercises. Or, conversely, it would be the same if the analysis, findings and results of the CCA/UNDAF are not used in the preparation of human development reports at the country and global levels." The final impression of the external evaluators, in this matter, is that there is little "interfacing" of the CCA and the UNDAF with the Human Development Report and its national versions, except when the CCA uses data on poverty and other human development indicators that are found in the national human development reports. The need to make these documents more complementary and avoid duplication is therefore justified, even if different reports serve different purposes. The same would apply to the national MDG reports, as a means to track down country-level progress towards the achievement of those goals.

28. The additional workload associated with the preparation of the CCA and the UNDAF has been used as one justification to call for additional resources to support the office of the resident coordinator in order to meet the requirements of the CCA and the UNDAF processes, including performing the new tasks associated with the use of the UNDAF Results Matrix. While enhancing accountability, this new mechanism increases the requirements for data and technical work, which call for additional capacities from the UN country team and their national counterparts. In this respect, the question is whether increased quality of assessment and programming processes expected to lead to greater effectiveness and efficiencies in programme delivery, which calls for additional efforts and resources to be employed in these two processes, justifies their higher transaction costs,

given the fact that both the CCA and the UNDAF should ultimately produce a reduction of these costs.

## **G. Impact on the UN system**

### **(a) Country-level programmatic coherence in the UN development system**

29. This year's evaluation confirmed the overall conclusions reached in the 2001 evaluation regarding the impact of both the CCA and the UNDAF on the country-level functioning of the United Nations system. The external assessment observes that the two processes help build teamwork and cultivate the habit of cooperating and working together, confirming their value as instruments for internal cohesion, an item that was stressed in the 2001 TPCR. The 2004 evaluation, however, did not confirm one perception of the 2001 evaluation, i.e. that the UNDAF was still a headquarters-centred process, not sufficiently country-led. The time, energy and resources involved in the preparation of the CCA and the UNDAF are such that it is possible to conclude that the country team seems to own both processes much more than in the past.

30. The use of the UNDAF has contributed to the creation of a UN identity in the eyes of the UN system's interlocutors at the country level, and it has served to project an image of unity of intent for the wider spectrum of UN agencies that have been involved in the formulation of the UNDAF as part of the UN family. In general, the formulation of documents such as the CCA and the UNDAF helps define a commonality of purpose and a role for the UN system. At the same time, not all forms of inter-agency collaboration at the country level, particularly regarding joint resource mobilization, are always reflected in the UNDAF, as the UNDAF is expected to provide a strategic focus on a limited number of key issues.

31. The external evaluators reached the conclusion that "since the evaluation of 2001, momentum has gathered for the use of the CCA and UNDAF as common basis and frame of reference for the country programming of the funds and programmes", particularly for the funds and programmes constituting the undg Executive Committee – UNDP, UNICEF, UNFPA, and WFP.

32. The external evaluators also observe that, in spite of some qualifications and shortcomings in both processes, there is a general appreciation among the members of the country teams and other representatives of the various organizations of the UN system consulted, on the whole, for the value of both processes and products of the CCA and the UNDAF.

33. A number of factors have contributed to the achievement of these results: (i) synchronization of programming cycles of the four undg Executive Committee agencies at the country level; (ii) the strict deadlines set for the adoption of harmonization and simplification measures; (iii) the intensive training at all levels and extensive dissemination of guidelines by the undg; and (iv) the financial support provided through DGO to facilitate the implementation of the simplification and harmonization measures. Greater coherence among UN programmes has been achieved by focusing the CCA on a well-selected number of development issues, whereas the UNDAF points to complementarities in selected areas of concentration.

34. Further initiatives in the areas of joint programming, joint evaluation and joint advocacy could reinforce the effect of increasing internal coherence within the UN system.

Behind these efforts, however, the perception that the UN system is still dominated by extensive complexity, duplication and overlapping is frequent among donors. “Competition rather than coherence is (still) the defining characteristic of the UN field system”<sup>7</sup>.

35. The enhanced strategic coherence among UN agencies that the two processes facilitate has not been achieved without difficulties, even if only undg ExCom organizations are considered. The external evaluators noted the hurdles that each of these organizations faced in aligning with the “vision” of the others, given the different degree of urgency of overall priorities as seen from the point of view of each agency. For instance, different organizations may have different reactions regarding the priority to be assigned to various time-bound objectives included in the UNDAF, with some inclined to adopt a longer-term perspective while others may be more concerned with shorter-term results that call for more urgent actions. This is the case when a few organizations are expected to address the needs of specific vulnerable groups as a top priority, or when an organization has a “dual mandate”, which covers both initiatives in the area of development cooperation and programmes of humanitarian assistance and emergency relief.

36. The external evaluators observed that the CCA, being mainly a “common” document, does not deeply dwell on wide-ranging issues that are critical to the programming exercises of the individual UN organizations and does not necessarily embody all of their relevant concerns. For this reason, some suggest that, in some UN agencies, it may play a more modest role merely as a “catalogue of uniform information” instead of being the expected country-level assessment of development challenges.

37. In countries in transition from crisis to development, tools such as the CCA and the UNDAF should be seen together with other coordination instruments such as the humanitarian Consolidated Appeals Process (CAP) and the Common Humanitarian Action Plan (CHAP). On this relationship, see what has been indicated in Chapter VI of the Secretary-General’s report on the TCPR (document A/59/85-E/2004/68).

#### **(b) Level and extension of agency participation**

38. The capacity of the CCA and the UNDAF to coherently reflect the country-level role of the entire UN development system depends on the extension of the system-wide involvement in these processes. Although instruments of internal cohesion, both instruments do not have the same value for every organization of the UN system, as shown by the different level, quality and intensity of their participation.

39. An active effort is being made to involve a broader cross section of the UN system in both the CCA and the UNDAF so that UN entities with no or limited field presence are also included. Many agencies are making an effort to make their contribution more tangible despite their limitations.

40. The external evaluators highlighted the role of the resident coordinator in this matter, since he or she is expected to elicit and articulate the views, contributions and interests from those agencies that are not represented in the country but have mandates, competencies, and programme activities that are critical to the development of the country.

41. The external assessment made note of the fact that although some UN entities may not play a fundamental role in implementing the UNDAF, they have been able to provide key

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<sup>7</sup> See Consolidated list of issues related to the coordination of operational activities for development, 2004 (undg Executive Committee Report on the Greentree Retreat, 6 January 2004).

contributions to its formulation, or to the formulation of the CCA, by participating in workshops and getting involved in preparatory meetings and work. In this way, they managed to have their concerns reflected in the UN system's common agenda as applied in a specific country, even when the CCA and the UNDAF had limited benefits for their agency-specific programmes.

42. Typical examples of indirect benefits from agency participation are the inclusion of gender issues (e.g., mainstreaming gender dimensions in operational activities for development) in the CCA and the UNDAF processes, to which the involvement of UNIFEM has largely contributed, or the better understanding of the rights-based approach to development and greater attention to human rights dimensions, which the involvement of the Office of the High Commissioner for Human Rights (OHCHR) has facilitated. UNIFEM and OHCHR found these results as sufficient incentives to motivate their involvement, irrespective of the size of their concrete programmes on the ground.

43. Apart from these significant examples, it is also necessary to conclude that despite the progress made, participation of the specialized and other agencies unrepresented at the country level is still limited and there is still much to be desired in terms of establishing mechanisms for their more active participation.

44. This may be partly due to the widespread perception that participation is binding only for the UN funds and programmes and not for the UN system as a whole, although paragraph 35 of General Assembly resolution 56/201 explicitly stresses the need to ensure full and active participation of all agencies in both processes. In reality, both instruments are mainly the outcome of the work of the UN country team, rather than of the entire resident coordinator system, which also includes organizations with no country offices but still actively involved in the country.

45. The external evaluators have noted that the independent governance structures and the different programme procedures of specialized agencies, as compared with the UN funds and programmes, represent major structural constraints that limit their participation. For the UN funds and programmes that have executive boards that report directly to ECOSOC and the General Assembly and are under the overall authority of the Secretary-General, the need to get thoroughly involved in the CCA and the UNDAF is never doubted, while for the other agencies, participation is sometimes left to the verification of its feasibility.

46. In general, all organizations of the system have accepted the invitation of the General Assembly to get involved in the CCA and the UNDAF, but the exact interpretation of that "invitation" is left to some degree of free interpretation. The difference seems to be whether the request from the General Assembly is binding for every agency, or just an encouragement. Consideration might be given in the future to the need to provide some clarity in the matter and to ensure the institutional involvement of the governing bodies of all the agencies and organizations of the UN system. The participation in the preparation and use of these system-wide instruments should not be left to subjective decisions of individual officers, but should be an agency requirement in the entire system.

47. This diversity is due to a number of factors. Several agencies do not necessarily base the definition and programming of country-level activities on multi-year country programmes for the allocation of their resources, but still work on a project-by-project basis. That hinders their ability to commit resources at the country level over the 5-year UNDAF frame. In those cases, planning decisions are based on functional or regional priorities and not necessarily on country-based priorities. Some agencies operate on the basis of shorter budgeting cycles (e.g. biennium) than the one used by the UNDAF.

48. The existence of a country office or direct representation for the individual organization seems to be a crucial factor in determining the level and quality of its participation in both the CCA and the UNDAF. UN entities or agencies that do not have country offices often find themselves removed from country-based processes such as the CCA and the UNDAF, as well as all other activities led by the UN country team.

49. Moreover, several specialized agencies operate in highly specialized domains that have limited direct relevance for the development priorities of the UN country team as a whole. As a consequence, the contents of the CCA and the UNDAF may not reflect those domains, as important as they might be for the country. For those agencies, the CCA and the UNDAF may not be the right vehicle to emphasize the importance and centrality of their contribution to the country's development. Greater involvement of highly specialized technical agencies in these processes may not be necessary, since they operate in domains – such as civil aviation, postal services and meteorological services – that do not have a sufficiently wide scope in terms of economic and social development to be included in the CCA and the UNDAF.

50. The CCA and the UNDAF do not need to cover all of the UN activities but should selectively address a group of central “core” issues and/or strategic orientations of the UN system, leaving specialized contributions from some individual agencies to other specific tools. The question is not whether the CCA and the UNDAF should include “all” issues or concerns, but whether the “core” issues shown in these tools adequately reflect the country's most important overall concerns, taking account of the comparative advantages of the UN system organizations.

51. The external evaluators have also stressed that participation in the CCA and the UNDAF processes is not just a matter of various agencies' mechanic involvement in jointly managing field-level operations, thereby defining – from a procedural point of view – how to work together. Effective participation in the CCA and the UNDAF also requires the definition of an even more important matter, i.e. the contents of what to do together, joining, coordinating and complementing the contributions of various parts of the UN system in the pursuit of a comprehensive approach to development, where linkages between the economic and the social dimensions of development are well established.

52. A separate issue is the participation or involvement of the BWIs in both the CCA and the UNDAF. The external evaluators observe that, with a few significant exceptions, collaboration with the Bretton Woods institutions in the formulation of the CCA and the UNDAF is still limited, and is almost always more formalistic and “political” rather than substantive. Inadequate collaboration for the access and use of basic data and information for the formulation of the CCA has been observed. The CCA and the UNDAF are not integrated into the BWIs' own work, and it is left to the decision of the BWIs' country offices to define the concrete forms of collaboration with the UN country team for the formulation of both the CCA and the UNDAF. In some cases, it has been observed that although they may participate in theme group discussions in the CCA, the World Bank and the IMF have no effective role in the preparation of the UNDAF. There have been cases, however, where collaboration, especially with the World Bank has been more significant.

### **(c) CCA and UNDAF processes and country programming**

53. In their assessment the external evaluators confirmed that for the UN funds and programmes, these two processes have enhanced the degree of coherence of their individual country programmes.

54. This is net improvement as compared with the past, when the UNDAF exerted a marginal effect on operational coherence of country programmes. When the UNDAF was first introduced, its formulation often took place after the country programming had already been completed. Earlier experience also indicates the tendency to consider the formulation of the UNDAF mostly as a compliance requirement, a necessity for having the country programme approved by the executive board, rather than a process that exerts a substantive influence on the orientations of the country programme. These perceptions still occasionally arise within the UN system, as heard in a few cases during the consultations for the TCPR. Nevertheless, the new guidelines for the formulation of the CCA and the UNDAF, by making use of the UNDAF Results Matrix and the UNDAF monitoring and evaluation plan, provide a better opportunity for closer collaboration and synergy within the system and, consequently, better coordination among country programmes of different agencies, identifying common strategic elements expressed in results terms. The improved quality of the second generation of CCAs and UNDAFs has also contributed to a more coherent formulation of country programmes, as shown in several examples where the UNDAF manages to identify complementarities among UN agencies in select areas of concentration of the UN system's efforts.

55. The influence of the CCA and the UNDAF in shaping the contents and orientations of the individual country programmes of UNDP, UNFPA, UNICEF and WFP has been analyzed in a few country cases. Formal reference to the UNDAF was made in the country programme document (CPD) of each country programme, as required. Nevertheless, the role of the UNDAF seems to parallel that of other mechanisms or parameters suggested as basic frames of reference: national frameworks, plans and priorities, PRSPs, internationally agreed frameworks, although these should have already been factored in. The reference to the MYFF in the CPD appears to be more relevant than that to the CCA and the UNDAF for shaping the CPD.

56. A possible impact of the CCA and the UNDAF in shaping the outcomes and outputs of the country programme is the emphasis on inter-agency coordination and programming linkages in the CPDs.

57. An initial analysis of four recently-formulated country programmes<sup>8</sup> of the UN funds and programmes highlighted the tendency of some CPDs to revert to an "inward looking" perspective, with emphasis on the agency-specific menu of programmatic tools and themes, rather than an approach more consistent with the orientations of the CCA and the UNDAF, such as a stress on overall country-level issues, or a more aggressive pursuit of an inter-agency approach. In those cases, the interaction with other UN agencies that work in the country is not adequately emphasized in the CPDs, even though the UNDAF Results Matrix may indicate areas of potential or expected collaboration among agencies in some areas.

58. Several CPDs do not indicate nor do they describe the participation and role of other UN agencies in the specific country programme outcomes or outputs, where relevant... Some of the documents only broadly refer to "other UN agencies" as a while. The weakest impact is found in those cases where the CPDs do not mention at all or include only vague reference to the UNDAF coordinating mechanisms (e.g. the use of UNDAF theme groups, joint steering committees, etc.) and the UNDAF monitoring and evaluation plan in describing "Programme Management, Monitoring and Evaluation" in the context of the individual agency's country programme.

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<sup>8</sup> Four country cases were examined where UNDAF was recently formulated: Angola (UNDAF, 2005-2008), Iran (UNDAF, 2005-2009), Kenya (UNDAF 2004-2008) and Pakistan (UNDAF 2004-2008).

59. There are CPDs, however, which do reflect greater consciousness of the UNDAF mechanisms, linking agency work to that of other UN agencies within the UNDAF process. There are cases where inter-agency collaboration is mentioned on specific themes, stressing the collaboration with the World Bank in the context of the PRSP, and the interaction with a number of other UN organizations or entities.

60. The introduction of joint programming modalities shows a desire and willingness to intensify inter-agency collaboration. Although the launch of joint programmes is not necessarily associated with the UNDAF process, the multiplication of joint programming initiatives generates favourable conditions for enhancing coherence among individual agencies' country programmes, as pursued by the UNDAF.

## **H. Impact on recipient countries**

### **(a) Relationship with internationally agreed development goals**

61. Although the ultimate goal of the CCA and the UNDAF is to enhance the impact of the UN system's assistance to the development of recipient countries, it is not possible to evaluate that impact in substantive development terms, not only because not enough time has elapsed since the new guidelines that introduced the UNDAF Results Matrix have been in use, but also because of the complexity of isolating the effect of the CCA and the UNDAF from other factors that determine the effectiveness of the UN development cooperation. At this stage, only the indirect contribution of the UN system to development at the country level and its link with the CCA and the UNDAF can be assessed. That contribution has been summarized<sup>9</sup> in the Secretary-General's report on the TCPR as a key function of the UN development cooperation, which consists of helping translate the global development agenda emerging from the Millennium Declaration and the major global conferences and summits into national terms.

62. It is in that context that it is possible to single out the positive effort that the UNDG has made to focus both the CCA and the UNDAF on the pursuit of a country development agenda that reflects internationally agreed goals. It is recognized, in particular, that the CCA plays an important role in highlighting national development priorities and challenges, in view of the MDGs pursued at the country level, stressing an advocacy function of the UN system, consisting in supporting a development cooperation strategy aligned with the overall thrust of these global objectives. The UNDAF performs a similar function in orienting the general programming strategy of the UN system's operational activities for development along the lines identified in the national priorities as well as the MDGs. The introduction of the UNDAF Results Matrix and the UNDAF Monitoring and Evaluation Plan brings further evidence of the role of these tools for the alignment of the UN system's programmes to this overall development agenda.

63. This does not mean that the introduction of the CCA and the UNDAF has fostered any concrete progress in the attainment of the MDGs. This is a much more difficult impact to assess, at least at this stage. As the external evaluators highlighted, "many more variables are involved, so that it is difficult to isolate the CCA or UNDAF as a determinant of progress."

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<sup>9</sup> See Secretary-General's report on the triennial comprehensive policy review (document A/96/85-E/2004/65), paragraph 9.

**(b) Pursuit of a people-centred and comprehensive development strategy:  
thematic coverage and relevance of the CCA and the UNDAF**

64. The report of the Secretary General on the 2004 TCPR (A/59/85-E/2004/65) has also highlighted that the UN system's development cooperation should respond to the current development challenges of recipient countries by promoting a people-centred and comprehensive approach to development. This represents one of the key comparative advantages or basic features of the UN development cooperation. The effectiveness of the CCA and the UNDAF processes should, therefore, be assessed in their respective capacity to pursue this dual approach to development.

65. By making the MDGs and other internationally agreed development goals core parameters of the CCA and the UNDAF, this evaluation criterion seems to be met, since these objectives are people-centred and, taken as a whole, define a comprehensive approach to development. In general, the CCAs and the UNDAFs examined for this evaluation show that both processes take this complexity of development objectives fully into account. In particular, a review of a number of CCAs reveals that the MDGs are consistently the take-off point of the analysis.

66. Increasingly, a rights-based approach to development has been used. With rights-based and people-centred approaches to development, the CCAs now provide a strong focus on vulnerable and marginalized groups. These approaches can be easily implemented either when programming operational activities or undertaking analysis in the social and governance sectors; however, their inclusion in macroeconomic and upstream policy formulation is proving more challenging.

67. It has been observed that dominant themes or focus areas of the analyses incorporated in the CCAs, and reflected in the strategic priorities of the UNDAFs, are governance, health and education, stressing the role of the UN system to support better access to basic social services. Such a focus on governance and access to basic social services is clearly reflective of what the UN system can offer from the dominant presence of UNDP, UNICEF, UNFPA and WFP at the country level.

68. The uneven participation of organizations or agencies of the UN system in both processes has, however, relevant implications for the thematic coverage of the CCA and the UNDAF and their capacity to fully reflect a comprehensive approach to development. Since the contribution to the CCA and the UNDAF from specialized agencies, regional commissions and other United Nations entities with no country representation or limited country-level presence is still modest, certain critical issues of increasing significance to development – particularly those related to globalization such as trade, investment flows, and ICT, or the links between directly productive activities and social development – may be left out or may not be adequately addressed, since these are not necessarily areas where country teams have sufficient expertise.

69. The external evaluators have observed cases where these issues, which may play a key role in development analysis of individual countries, have not found adequate reflection in the CCA and the UNDAF processes, and this may be linked to the absence of a country-level representation of those institutions of the UN system that have a major role in these areas. Moreover, although some CCAs provide good economic analyses that identify the structural weaknesses of the economy and their impact on employment and poverty, weak attention to macroeconomic and sector analysis may be found in several CCAs, contradicting the need for a comprehensive approach to development. Similarly, in countries that are in transition from emergency to development, the pressing needs of

strengthening governance to consolidate peace and the focus on health and education may be essentially an extension of the prevailing concerns for emergency humanitarian needs, resulting in neglect for other longer-term dimensions.

70. An important challenge in ensuring a more comprehensive approach to development through the CCA and the UNDAF is that of linking a rights-based, people centred CCA to “upstream” policy formulation.

71. This circumstance may have been affected by the fact that both processes are mostly the outcome of the work of the UN country team in each recipient country, rather than a reflection of the work of the entire resident coordinator system, which influences the range of development issues that they can address.

72. The limitation in thematic coverage of the CCA, which consequently extends to the UNDAF, may affect its capacity for providing a substantive contribution to the analysis of development challenges. It may also weaken national entities’ potential interest in the CCA and its use to better understand development needs and priorities.

73. There are, however, examples of CCA and UNDAF documents that effectively integrate development issues, broadly reflecting national priorities. These examples should be replicated elsewhere on a larger scale. The resident coordinator system should draw lessons and competencies from a wider range of experiences and institutions within the system, including the BWIs, the CCA and the UNDAF. In this way, the value of the CCA and the UNDAF for the recipient country can be enhanced and can meet the expectations for its potential contributions.

#### **(c) Government leadership and national ownership**

74. The issue of government leadership and national ownership and participation in the CCA and the UNDAF is quite prominent in the provisions of the General Assembly regarding both tools. While there are indications that national governments generally welcome the institution of the CCA and the UNDAF, information available and the observations of the external evaluators confirm that government leadership and ownership have yet to take firm hold of these processes. While participation of the national government in the recipient country may have improved, some public officials have expressed the view that, as of now, they are not fully in the driver’s seat, leading and directing the processes.

75. As confirmed in the consultations undertake for this evaluation, the CCA and UNDAF processes can sometimes be an opportunity for national authorities to exert a more effective oversight over the planning processes of the UN system in the country, although it is not possible to show this as a generalized perception or reality. A number of donors consulted in the preparation of the TCPR expressed the perception that the CCA and the UNDAF are still “UN-led” processes rather than being country-led. A review of the CCAs does in fact confirm that the CCA preparation is led by UN country teams that “invite” and “consult” government and other stakeholders in the processes. A few CCAs explicitly indicate that the CCA is a “tool for advocacy for UN issues.” On the other hand, there is an increasing awareness and understanding that national ownership cannot be induced from outside but lies on the development of endogenous capacity in the first place.

76. There are many reasons that prevent governments in recipient countries from taking a more active and committed leadership and ownership in these two processes. The main reasons are:

- (i) Modest significance of the UN system's support vis-à-vis the overall efforts made in the country to promote development and relatively small share of its value as compared with all other external contributions to development or poverty reduction. This raises doubts about the very added value of the CCA and the UNDAF in terms of development benefits. In some developing countries, especially those with higher income, the strategic value of the CCA and the UNDAF for the national government has come into question, not so much as instruments to achieve greater coherence within the UN system, but in terms of justifying the efforts required to undertake these processes. While coherence and unity of purpose for the United Nations system are obvious imperatives and are considered desirable benefits from the CCA and the UNDAF, the workload produced by these two processes has sometimes been considered disproportionate as compared with the development contribution of the UN system to the country.
- (ii) There are genuine capacity constraints, especially in many LDCs, which limit the government's leadership and participation in those two processes, although there are cases where national capacities at the level of planning authorities are adequately developed (e.g. Benin). These constraints are manifestations of inadequate capacity available at the country level, confirming that only when national analytical skills and competencies exist is it possible to ensure adequate participation in the very conception and negotiation in drafting UNDAF or undertaking the assessment for the CCA. These limitations are even more relevant for the objective difficulty, in some countries, of handling multi-sector system-wide mechanisms that involve the entire the United Nations system.
- (iii) More fundamentally, some governments may be reluctant to identify themselves with the CCA and the UNDAF processes if they address potentially sensitive issues, for instance in areas such as empowerment of the poor, land tenure and ownership, and other domains that might require political and social reforms. UN country teams, however, usually have good relations with national governments, involving public officials and government agencies, including at the top level, which facilitated the task of securing national ownership of the final versions of the CCA and the UNDAF documents.
- (iv) Frequent changes within the government represent a constraint in its leadership and may alter the locus of responsibility for coordination responsibilities, and ultimately affect the quality of national ownership and leadership in the CCA and the UNDAF.
- (v) One of the constraints for an effective government participation in these two processes is the weak coordination within the government at the inter-ministerial and inter-sector level, which may prevail in some countries. This affects the ability of the UN system to involve national counterparts in coordination processes, hindering their effectiveness and efficiency, despite the adoption of adequate reform measures. Moreover, it has been noted that some government agencies may prefer working with UN agencies separately rather than jointly. A perennial problem for the UN system at the country level is how to figure out what the government policy is on key issues when the government "speaks with many voices".
- (vi) The reluctance of several government officials to spend time, efforts, and possibly money, for attending and preparing for numerous meetings and workshops required for the formulation of the CCA and the UNDAF may also be linked to

“bureaucratic inertia”, which may favour the easy road of letting the UN system do all the work. This may motivate the reduced appeal of mechanisms such as the CCA and the UNDAF, often perceived as uselessly complicated and time-consuming processes suggested by the UN system, which are not going to exert any significant impact on the flows of resources to the country for additional development support.

- (vii) In a few cases, it was recognized that the United Nations country team does not try hard enough to involve the government and other national actors in the CCA and the UNDAF processes.

77. The involvement of the government and other national stakeholders in the CCA and the UNDAF processes may affect their contents and orientations. There might be circumstances where the government is able to carry on in full the country-level translation of global development goals in national terms, including by defining their appropriate prioritization. In these circumstances, the UN system may exert its advocacy role mostly by facilitating the fullest involvement of national stakeholders, from the government to the civil society, in the formulation and implementation of development policies and processes. The second generation of CCAs and UNDAFs has shown a determined effort to involve a wider spectrum of national stakeholders, including representatives of the civil society, registering improvements in national ownership through highly participatory and inclusive processes, although UN country teams are often confronted with the difficulty of defining appropriate representation of the civil society, which varies from country to country.

78. Improved participation, however, does not necessarily lead to greater national ownership. The CCA and UNDAF guidelines, reflecting the requirements for government leadership and national ownership of the processes indicated by resolution 56/201, offer little guidance in respect to what these terms mean in practice. Participation in workshops and meetings, and ceremonies such as signing of documents by the highest officials are often taken as manifestations of, or as a sufficient basis for, ownership and leadership. National ownership, however, requires more than that. It calls for actual accountability for policy orientations and results. In the absence of a clearer definition of the concept and nature of “participation” and “ownership”, any assessment of the progress achieved in pursuing them is subject to ambiguity.

79. The external evaluators have also noted that, in the course of their consultations, a general agreement was expressed that UNDAF should be nationally “owned” and endorsed by the national government as a basic requirement for its acceptability, given the scope and objective of the UNDAF. On the other hand, views seem to diverge with respect to ownership of the CCA, since the CCA is not a statement joint UN-government policy but rather an impartial forward-looking analysis. If the CCA is designed as an advocacy tool, however, there is a concern that its validity as an analytical tool may be limited. Moreover, when dealing with delicate structural issues of “root causes” of poverty or national crisis in the context of country situation analysis, the UN system may find itself in the difficult condition of tackling politically sensitive themes. Fuller national ownership may prevent this analysis from happening and infringe on its objectivity. The opposite view is also plausible, since a CCA that does not adequately reflect the point of view of the country may be considered not impartial as well. At that stage, the “impartiality” of the analysis becomes a matter of controversy.

**(d) Integration with national development frameworks, including poverty reduction strategies**

80. Evidence shows that the CCAs and UNDAFs often reflect significant convergence with selected national priorities (e.g. in Ethiopia, Kenya, Kyrgyzstan, Madagascar, Pakistan, Tanzania, Sri Lanka, India) and alignment with national poverty strategies and national plans (e.g. in Ethiopia, Tanzania, Uganda, Nepal, Benin). The formulation of the CCA and the UNDAF becomes more difficult whenever there is no clearly identified and unified government development strategy, or where more than one planning framework – medium-term and long-term development plan, and poverty reduction strategy papers (PRSP) – exists. In those cases, it is hard to identify a comprehensive United Nations strategy at the country level except, perhaps, on a sector by sector basis.

81. Country-level mechanisms such as the CCA and the UNDAF can contribute to the enhanced effectiveness of the UN system's operational activities for development only if they actually achieve greater coherence and rationalization of the UN development support in the overall framework of the national efforts for progress and growth. There are, however, other country-based diagnostics and development cooperation frameworks, including several sector-wide approaches (SWAPs), which involve a multiplicity of different actors, also beyond the UN system, which should be taken into account. The Integrated Framework, for instance, which encompasses UNCTAD, World Trade Organization, the UNDP, the International Trade Centre, the World Bank and the IMF, is specifically designed to deliver assistance on trade and development in a coherent way, but so far its links with the CCA and the UNDAF are not obvious.<sup>10</sup> In any case, all these coordination schemes are acceptable only to the extent that they are integrated with a national framework that defines the country's priorities, strategies and policies. Therefore, the harmonization of the CCA and the UNDAF with such a national development framework, whatever form or title it has, is a matter of crucial importance for rationalizing the functioning of the UN development system at the country level and ensuring that the CCA and the UNDAF enhance the effectiveness of its operational activities in concrete terms.

82. The introduction of a poverty reduction strategy (PRS) process, initially promoted by the BWIs with the launch of the PRSP, and its increasing recognition in several countries as a basic frame of reference for a national comprehensive development strategy, makes the links of the CCA and the UNDAF processes with the PRS particularly relevant. On the basis of the evidence available at the country level, these links still remain variable. Several cases are cited where these links are either absent, unclear or weak (Indonesia, Guatemala and Zambia), while a significant number of other cases (e.g. Benin) show a convergence of the CCAs on the issues covered in the PRSPs, although the CCAs, and consequently the UNDAFs, focus more on social and humanitarian issues, whereas economic issues are mainly addressed in the PRSPs and other national development strategies.

83. Some see the CCA and the UNDAF focus on social and humanitarian issues as a symptom of strength for the UN system, whereas others view this as a limitation that leaves out the role and contribution of the system on a wider range of issues, as would be required for a comprehensive approach to development. It is interesting to note that there are UN organizations that may not have played a key role in the CCA and the UNDAF, such as UNCTAD and some specialized agencies, that have found in the harmonization with the PRS or similar planning instrument the best way to ensure some degree of coherence

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<sup>10</sup> View expressed by UNCTAD during DESA's consultation.

between their development assistance and national development strategies. The Integrated Framework, for instance, has close links with the PRSPs.

84. A good CCA, when formulated before a PRSP, might be a useful basis for the preparation of the national PRS, including as a methodological tool (e.g. the case of Benin). This would avoid duplication of efforts. Nevertheless, there is recognition that the CCA has often not been designed as a premise to other frameworks other than the UNDAF. For the same reason, where a PRSP exists, it is recommended that CCA works from the PRSP<sup>11</sup>. Where the PRS is widely acknowledged by all development partners, it was suggested that the CCA may not be necessary, and that the UN country team should focus, rather, on assisting in the process of formulating the PRS, although the PRS is not an assessment tool while the CCA is. Hence, the CCA needs to demonstrate its value added to the country assessment as an input to the PRS or other national planning instruments, by showing that it contributes with additional analytical understanding on the development dynamics of the country, adding a unique analytical perspective (i.e., human rights, conflict prevention).

85. In all cases, the need to integrate all frameworks and programming tools adopted by the UN system and its individual organizations with national development strategies makes the link with the PRS almost unavoidable. All development partners, including UN agencies, often consider, for practical purposes, the PRSP – often bearing a distinct title depending on the country where it is formulated and the availability of national mechanisms and frameworks – as the main framework for national policy dialogue and donor cooperation. It is also clear that the PRSP implies the access to significant additional funding. To the extent that the PRS process (and the PRSP as a result) embodies comprehensive development, national ownership, broad-based country partnership and results orientations – all principles that the United Nations system has long advocated – closer interaction of the CCA and the UNDAF within the PRS framework and collaboration of the UN system in the formulation of the PRS could be of mutual benefit to all parties, especially for the recipient country.

86. It is possible to speculate about the possible interaction of the UN system with the PRS. The UN system could be in a special position to lead the promotion of national capacity development required by the PRS. The variety of competencies and mandates of the UN system represents a unique source of support to country processes that could feed into the formulation and implementation of the PRS. Although this may not have happened yet to a great extent, the potential for this contribution is considerable, given the credibility of the UN system vis-à-vis national governments in aid coordination, and the fact that all development assistance agencies should harmonize their respective contributions to the orientations of the PRS, when a country adopts it.

87. In particular, the contribution of the UN system in the PRS process could consist of the following:

- (i) providing support to national governments in identifying the appropriate patterns of national policies and budget expenditures towards basic social services and sustainable development;
- (ii) facilitating the participation of the civil society in the process of formulation of a national development strategy;

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<sup>11</sup> In the case of Tanzania, for example, a UN-led CCA was not prepared, and the formulation of the UNDAF relied on the Government-led Tanzanian Assistance Strategy and the PRSP, where UNDP had played an instrumental role in designing the consultative process. Foregoing the step of preparing the CCA was welcomed, in that case, even though the country's ownership of the PRSP was somewhat in doubt since the World Bank had prepared an I-PRSP in order to allow the country have access to the financial facilities as a HIPC country.

- (iii) facilitating the protection of adequate “political space” to local leaders in the formulation of this basic strategy;
- (iv) supporting the development of national capacities within the government in the area of external assistance coordination; and
- (v) formulating a well targeted strategy for the development of national capacities as required to implement the development agenda identified in the PRS.

88. A major obstacle for the harmonization of the CCA and the UNDAF with the PRS is the synchronization of their respective programming cycles in the timeframe of the national planning process. Considering the variety of national systems and the requirements of submitting the UNDAF at the same time country programmes of the UN funds and programmes are presented at their executive boards, this harmonization with national cycles may not be pursued, unless more flexible and decentralized management systems of development assistance programmes are employed.

## APPENDIX

### Setting the stage for the evaluation

In order to clarify the terms of the evaluation, all of the elements emerging from provisions of the General Assembly and ECOSOC and their translation into the UNDG guidelines, as well as relevant orientations of the UN reforms of the Secretary-General, are here summarized as they represent the basic terms of reference for the evaluation.

#### **(a) Criteria of the General Assembly on the basic characteristics of the CCA and the UNDAF**

Combining the provisions of resolutions 56/201<sup>12</sup> and 53/192<sup>13</sup> as regards the nature and key requirements of the CCA and UNDAF, the General Assembly considers the following characteristics as essential features of the UNDAF process:

- (i) The UNDAF is the common planning framework for the development operations of the UN system at the country level and consists of common objectives, common cooperation strategies, a programme resource framework and a mechanism for follow-up, monitoring and evaluation;
- (ii) The UNDAF should be a country-driven process and be fully consistent with and in support of national priorities as expressed in national development plans;
- (iii) In order to achieve a greater impact at the country level, the UNDAF should be the expression of a collaborative and coherent response of the entire UN system to support national priorities;
- (iv) Full government participation and leadership in the formulation of the UNDAF in all stages of its process, and full national ownership are called for, bearing in

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<sup>12</sup> See paras. 33 through 47 of resolutions 56/201.

<sup>13</sup> See paras. 17 through 22 of resolutions 53/192.

mind that the responsibility for coordination of all assistance and developmental activities rests with the national governments;

- (v) Full and active participation of the funds, programmes and specialized agencies of the UN system in the preparation of the UNDAF is required;
- (vi) Consistency and complementarity between the UNDAF and the individual country programmes or similar instruments used by individual agencies should be ensured;
- (vii) Closer consultation with all relevant development partners and stakeholders in the formulation of the UNDAF is strongly suggested;
- (viii) The potential role of the UNDAF to facilitate the coordinated follow-up to the major UN conferences at the field level is central;
- (ix) In order to be formulated in effective terms, the UNDAF should be based on an appropriate CCA;
- (x) The UNDAF should be consistent with the strategic frameworks developed by the Bretton Woods institutions, with special reference to the PRSPs<sup>14</sup>, where they exist, in the framework of greater cooperation with the World Bank; and
- (xi) The UNDAF should also be a vehicle to encourage greater cooperation, inter alia, with the regional development banks.

While resolution 53/192 gave limited importance to the CCA process, most provisions of the General Assembly on the subject are found in its resolution 56/201. The key features required for the CCA are the following:

- (i) The CCA is conceived as a common analytical instrument of the United Nations development system;
- (ii) The same criteria of full government participation and leadership indicated for the UNDAF apply to the CCA;
- (iii) The General Assembly encourages the entire United Nations system to ensure full and active participation in developing the CCA, with a special stress to the funds, programmes and specialized agencies;
- (iv) The CCA should take into account national priorities and needs as well as the commitments, goals and targets set in the Millennium Declaration and major United Nations conferences;
- (v) The CCA has the potential to be used by recipient countries in the formulation of national policies; and
- (vi) The CCA should also be used as an instrument to coordinate country-level efforts between bilateral donors and the UN system.

Resolution 56/201 also indicates some additional performance evaluation criteria, highlighting the need to:

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<sup>14</sup> This request seems to make a difference between national development frameworks and PRSP, as it was the case in General Assembly resolution 56/201. To the extent that national poverty reduction strategy (PRS) become the expression of the basic strategy adopted by the country for its development policies the distinction between PRS (rather than PRSP, which becomes a label only for a specific document) and national development strategic framework or plan becomes blurred, and depends on country situations.

- achieve improvements in the formulation of the UNDAF;
- improve the quality of both CCAs and UNDAFs;
- verify whether their introduction has been accompanied with measures to simplify and harmonize country assessment procedures and programming processes, so that transaction costs could be reduced, avoiding additional procedural requirements and workload for recipient countries and UN country team, and
- verify the impact of both CCA and the UNDAF on operational activities for development of the UN system.

**(b) Guidelines for the formulation of the CCA and the UNDAF and UN reforms**

Since the initial launch of the CCA and UNDAF, after the first set of provisional guidelines issued in summer 1997, the UNDG issued a full revision of the guidelines first in 1999, to reflect the principles and key features identified in General Assembly resolution 53/192. Further revisions were introduced through 2000, followed by a number of inter-agency workshops. A Learning Network was also launched, while resource persons from various agencies at headquarters and country offices were trained, and various forms of information dissemination were carried out at all levels.

At the time of the 2001 TCPR, the guidelines in use were still those issued in 1999, partly modified in 2000, which reflected resolution 53/192, but preceded the Millennium Summit and the adoption of the Millennium Declaration. No reference was then made to the MDGs and their role in the formulation of both instruments, although the role of the UNDAF for the integrated follow-up to global conferences was stressed. The UNDG undertook a major revision of those guidelines after the adoption of resolution 56/201, setting the tone for the current evolution of both processes. The new set of guidelines was issued in May 2002, with the intent of making use of them in 26 countries that were part of the so-called “roll-out” programme for launching both instruments in the period 2002-2003.

In the 2002 guidelines, the two tools were conceived as two sides of the same coin, as intertwined processes. While internalizing the provisions of General Assembly of resolution 56/201, the new guidelines went much further. In particular, they

- benefited from experience accumulated in the implementation of both instruments and lessons learned and good practices as recorded by UNDG;
- reflected the concern of aligning with the objectives identified in the Millennium Declaration and other global conferences and summits, in particular in supporting national efforts to implement MDGs at the country level, and took into account the Secretary-General’s 2001 Road Map towards the implementation of the Declaration;
- incorporated references to these international objectives in the main frameworks of both processes by setting goals in the UNDAF and using related indicators in both documents that are aligned to this global development agenda;
- better reflected concerns for gender and human rights dimensions in the analysis contained in the CCA;
- included consideration of the prevention of armed conflicts, reflecting the interest for concerted action to support the reduction of extreme poverty and its integration with peace-building and conflict prevention strategies; and

- attempted to improve the quality of the analytical framework for the CCA, through a better establishment of causal links with the root causes of development challenges, while enhancing at the same time the strategic focus of both the CCA and the UNDAF.

Meanwhile, the UNDG launched a number of measures in response to a specific request of General Assembly resolution 56/201, as well as to the 2002 UN reforms, to simplify and harmonize UN system processes in the area of operational activities for development, which further influenced the way in which the CCA and the UNDAF were prepared and implemented. As part of the programme of work prepared by the UN funds and programmes in the area of simplification and harmonization, some of the UNDG measures introduced new tools that enhanced the links between the CCA and the UNDAF themselves, and that also improved links with other programming processes<sup>15</sup>. These new tools are the UNDAF Results Matrix, the Country Programme Document (CPD), the Country Programme Action Plan (CPAP), the shared UNDAF Monitoring and Evaluation (M&E) Plan, Joint Strategy Meetings, the Annual Work Plan and Budget (APB), the Standard Progress Report (SPR), the Resource Transfer Modalities and new guidelines for Joint Programming.

The evolution of the CCA and the UNDAF also reflected the second set of reform measures introduced by the Secretary-General in 2002 for the United Nations<sup>16</sup>, which considered field-level coordination as a key area for action (see Action 14 of the 2002 reform package) and focused on the need to enhance the relevance, capacity and effectiveness of the United Nations' work and its purpose to serve the people at the country level. In that context, the reform proposals of the Secretary-General recognized that the effectiveness of the United Nations in support of developing countries depends on initiatives such as joint programming, pooling of resources, common databases and knowledge networks, dedicated support for the resident coordinator and integrated planning, budgeting and resource mobilization tools for countries emerging from conflict.

After introducing measures for the simplification and harmonization programme of work, the UNDG further revised the guidelines for the formulation of the CCA and the UNDAF. The new set of guidelines was issued in October 2003, and was expected to be used in 15 "roll-out" countries in the year 2004. The key elements of innovation of those guidelines were:

- the introduction of new programming tools agreed by UNDG as part of the simplification and harmonization measures (in particular the UNDAF Results Matrix<sup>17</sup>, Joint Strategy Meetings<sup>18</sup>, and the UNDAF Monitoring and Evaluation Plan<sup>19</sup>);

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<sup>15</sup> See Consolidated List of issues related to the coordination of operational activities for development, 2002 (document E/2002/CRP.1).

<sup>16</sup> See the Secretary-General's report on the "Strengthening of the United Nations: an agenda for further change" (A/57/383)

<sup>17</sup> The Result Matrix replaces the "Programme Framework" section of the old guidelines for the UNDAF, suggesting the same focus on a limited number of "areas of cooperation" in order to maximize the benefits of concentration of efforts.

<sup>18</sup> The Joint Strategy Meeting was designed to bring together the UN country team in order to provide the UN system with a "unified voice" when negotiating, at a high level, with the government counterparts.

<sup>19</sup> The UNDAF Monitoring and Evaluation Plan was intended to harmonize monitoring and evaluation activities of the UN system within the framework of the UNDAF, thereby providing a common accountability tool.

- the introduction of results-based terminology, providing the means for tighter accountability for specific results among partners and better links and synergies among agency activities and outputs;
- the introduction of the Quality Assurance Support and Assurance system, which is a new support mechanism launched by the undg to enhance the effectiveness and quality of both processes;
- enhanced focus on fewer core issues, by recommending that the undafs concentrate on a limited number of outcomes;
- other innovations aimed to avoid ambiguities in the formulation of the document emerging from both processes, which sometimes resulted from the implementation of previous guidelines, through the inclusion of more details on specific issues;
- recognizing that certain results/activities of specialized agencies may fall out of the focus of the undaf, although they should still be mentioned in it; and
- recognizing that the cca process may become optional if other analytical processes or work that serve the same purpose already exist.

**(c) Evaluation guidance from ECOSOC**

In reviewing progress in the implementation of General Assembly resolution 56/201 in 2003, ECOSOC<sup>20</sup> provided further guidance to the UN system in the domain of the CCA and the undaf. In particular, in paras.13 through 18 of its resolution 2003/3, ECOSOC indicated directions for further work by the UN development system and its country-level structures around the CCA and the undaf as follows:

- (i) Efforts should be continued to enhance the quality of the CCA, particularly its analytical aspects, and strengthen the operational impact of the undaf, with the engagement of the specialized agencies and other partners in the formulation of these instruments, under the leadership of the national Governments;
- (ii) The undaf Results Matrix should be submitted to the Executive Boards as an annex to the country programme of UNDP, UNFPA, UNICEF and WFP, and should also be used by the other UN funds and programmes and the specialized agencies;
- (iii) Efforts should be made to ensure the alignment and integration of the operational activities for development of the UN funds, programmes, and specialized agencies with national development efforts and priorities also through the active and full government participation and leadership at all stages of the CCA and undaf processes, ensuring the involvement of other stakeholders;
- (iv) Further ways to enhance cooperation, collaboration, coordination, consistency and better complementarity between the UN system and the Bretton Woods institutions (BWIs) in the future should be explored, including through greater harmonization of strategic frameworks, instruments, modalities, and partnership arrangements, in accordance with

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<sup>20</sup> See Report of the Secretary-General on "Progress in the implementation of the General Assembly resolution 56/201" (E/2003/61) and also the Consolidated List of issues related to the coordination of operational activities for development, 2003 (document E/2003/CRP.1).

the priorities of the recipient Governments, and in particular, greater consistency with the national poverty reduction strategies, including the poverty reduction strategy papers, where they exist; and

- (v) The regional commissions should provide, when requested, their inputs for the preparation of those frameworks.