

Distr.: Limited 24 July 2006

Original: English

Substantive session of 2006 Geneva, 3-28 July 2006 Agenda item 3 (a) Operational activities of the United Nations for international development cooperation: follow-up to policy recommendations of the General Assembly and the Council

> Draft resolution submitted by the Vice-President of the Council, Mr. Léo Mérorès (Haiti), on the basis of informal consultations

Progress in the implementation of General Assembly resolution 59/250 on the triennial comprehensive policy review of operational activities for development of the United Nations system

The Economic and Social Council,

Recalling General Assembly resolution 59/250 of 22 December 2004 on the triennial comprehensive policy review of operational activities for development of the United Nations system,

Recalling also its resolution 2005/7 of 20 July 2005,

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

Reaffirming its role in providing coordination and guidance to the United Nations development system to ensure that those policy orientations are implemented on a system-wide basis, in accordance with General Assembly resolutions 48/162 of 20 December 1993, 50/227 of 24 May 1996 and 57/270 B of 23 June 2003,

Reaffirming also that the fundamental characteristics of operational activities for development of the United Nations system should be, inter alia, their universal, voluntary and grant-based nature, their neutrality and their multilateralism, as well as their ability to respond to the development needs of recipient countries in a flexible manner, and that operational activities are carried out for the benefit of recipient countries, at the request of those countries and in accordance with their own policies and priorities for development,



Stressing that the purpose of reform is to make the United Nations development system more efficient and effective in supporting developing countries in their efforts to achieve the internationally agreed development goals on the basis of their national development strategies, and stressing also that reform should enhance organizational efficiency and achieve concrete development results,

Emphasizing that operational activities for development of the United Nations system should be valued and assessed on the basis of their impact on recipient countries as contributions to enhancing their capacity to pursue poverty eradication, sustained economic growth and sustainable development,

1. *Takes note* of the report of the Secretary-General on the progress in the implementation of General Assembly resolution 59/250 on the triennial comprehensive policy review of operational activities for development of the United Nations system;¹

Funding of operational activities for development of the United Nations system

2. Also takes note of the report of the Secretary-General on the funding options and modalities for financing operational activities for development of the United Nations system;²

3. *Recognizes* the importance of further considering funding options and modalities for financing the operational activities for development of the United Nations system, with the aim of generating, on a voluntary basis, adequate resources including core resources, and increasing the reliability and predictability thereof with respect to achieving the internationally agreed development goals, including the Millennium Development Goals;

4. *Stresses* that increased funding to achieve the internationally agreed development goals, including the Millennium Development Goals, should be combined with higher quality and better delivery of aid, simplified and harmonized operational processes, reduced transactions costs, more effective use of resources and enhanced national ownership;

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

6. *Stresses* that core resources, because of their untied nature, continue to be the bedrock of the operational activities for development of the United Nations system and, in this regard, notes that the overall increase in core resources has not been sustained and that the overall volume of core resources fell in 2004 in some parts of the system and also notes that some targets of the multi-year funding frameworks and strategies of the United Nations funds and programmes and the specialized agencies have not been met;

¹ E/2006/58.

² A/60/83-E/2005/72.

7. *Notes* that the increased use of restrictively earmarked non-core resources reduces the influence of the governing bodies and can lead to the fragmentation of operational activities for development of the United Nations system and can thus constrain their effectiveness;

8. Also notes the thematic trust funds linked to agency-specific funding frameworks and strategies that have been established by the respective governing bodies as a funding modality complementary to core resources, while recognizing that non-core resources are not a substitute for core resources and that unearmarked contributions are vital for the coherence and harmonization of the operational activities for development;

9. *Requests* the Secretary-General, in consultation with the United Nations Development Group, to provide, in view of the preparations of the 2007 triennial comprehensive policy review, a consolidated overview of the biennial costs of the resident coordinator function and its current funding mechanisms;

10. *Takes note* of the report of the Secretary-General on the comprehensive statistical data on operational activities for development for 2004^3 as well as the note by the Secretary-General on the review of trends and perspectives in funding for development cooperation;⁴

11. *Requests* the Secretary-General, in order to enhance understanding of funding trends in the United Nations development system and humanitarian field, to further refine the data contained in the report on the comprehensive statistical data on operational activities for development, with a view to promoting a concerted effort by entities of the United Nations system to standardize data and statistical practices that reflect funding for operational activities for development, including a better distinction between funding for humanitarian assistance and that for long-term development cooperation channelled through the United Nations Secretariat, in collaboration with organizations repository of relevant information and statistics, as appropriate;

12. *Notes* the importance of enhancing the predictability, sustainability and increase of funding and in this context notes the introduction by most United Nations funds, programmes and organizations of multi-year funding frameworks and strategies and requests the Secretary-General in view of the 2007 triennial comprehensive policy review, to provide information on the status of the use, efficiency and harmonization of those instruments;

National capacity-building

13. *Stresses* that developing countries, in their efforts to meet the internationally agreed development goals, including the Millennium Development Goals, should be supported by the United Nations system in the development and enhancement of their national capacities consistent with their needs, with the aim of strengthening national ownership and leadership over external assistance and aid coordination in support of their national development strategies, including further strengthening of

³ S/61/77-E/2006/59.

⁴ E/2006/60.

their capacity to utilize effectively the various aid modalities, including system-wide approaches and budget support;

14. Also stresses the need for a systematic and comprehensive United Nations capacity-building effort that would support the preparation and implementation of national development strategies, which should benefit from strengthened linkages between the normative work of the United Nations system and its operational activities;

15. Notes the establishment of a United Nations Development Group working group on capacity development and in this regard looks forward to the improvements in the effectiveness of United Nations country teams in enhancing capacity-building and national ownership of the development process by developing countries, while expressing concern about the poor quality of reporting by the United Nations system on measures and results of the efforts to address the sustainability of capacity-building, relating in particular to the use of national execution and national expertise and technologies, and in this regard requests the Secretary-General to report on progress made using existing reporting mechanisms;

16. *Reiterates* that the United Nations development system should use, to the fullest extent possible, national execution and available national expertise and technologies as the norm in the implementation of operational activities and in this context notes the decisions by some governing bodies of the United Nations funds and programmes to strengthen the implementation modalities of national execution;

17. *Notes* the various activities undertaken by the United Nations development system to strengthen capacity-building of developing countries, but recognizes that developing countries, in order to meet the internationally agreed development goals, including those contained in the United Nations Millennium Declaration,⁵ should have access to new and emerging technologies, including information and communication technologies, which requires technology transfer, technical cooperation and the building and nurturing of scientific and technological capacity to participate in the development of these technologies and their adaptation to local conditions, and in this regard urges Member States and the United Nations system to ensure the promotion and transfer of new and emerging technologies to developing countries;

Transaction costs and efficiency

18. Also notes the efforts of 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 further notes the steps taken, such as the promotion of common shared support services including the development of banking, administrative and financial procedures; the agreement by the United Nations System Chief Executives Board for Coordination on harmonized definitions and principles for cost recovery; and the establishment of the first joint office pilots and of various hosting arrangements for non-resident agencies and agencies that have smaller programmes by resident agencies, consistent with their respective mandates;

⁵ See General Assembly resolution 55/2.

19. *Encourages* the funds, programmes and specialized agencies of the United Nations system to step up their efforts, in consultation with national Governments and in accordance with their developments needs and priorities, to, inter alia, rationalize their country presence through common premises and co-location, further implement the joint office model, where appropriate, expand common shared support services, including security, information technology, telecommunications, travel, banking and administrative and financial procedures including for procurement, and undertake harmonization of the principles of cost-recovery policies, including that of full cost recovery, and alignment of the regional technical support structures and regional bureaux at headquarters level, including their regional coverage, as well as further simplification and harmonization measures, and to continue to monitor and assess experiences undergone and lessons learned;

Common country assessment/United Nations Development Assistance Framework

20. *Welcomes* the efforts made so far by the United Nations system in the use of the common country assessment and the United Nations Development Assistance Framework in order to achieve greater country-level programmatic coherence within the system in alignment with national priorities and to foster teamwork among the organizations of the system;

21. *Encourages* the United Nations development system to foster a more inclusive approach to assisting developing countries in obtaining information about and better access to the expertise and services available within the system, in particular in non-resident agencies, and in this regard calls for the strengthening and effective use of arrangements such as system-wide knowledge management;

22. *Recognizes* that resident coordinators, in meeting their obligation to ensure effective and efficient coordination of operational activities, have the responsibility to inform, in regular consultation with national Governments, the relevant United Nations organizations, funds and programmes of existing opportunities consistent with their respective mandates for their possible participation in country-level development processes;

23. *Notes* the progress made in developing simplified programming processes and tools and the efforts to enhance the capacity of United Nations country teams to develop strategically focused, demand-driven and results-based joint programmes, aligned with national priorities, and, in this regard, encourages assessment of experiences and lessons learned;

24. *Invites* the United Nations system and the Bretton Woods institutions to continue to explore ways to enhance their dialogue and, in full accordance with the priorities of recipient country Governments, to ensure greater consistency among their strategic frameworks used at the country level;

Resident coordinator system

25. *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 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;

26. *Takes note* in this regard of the reporting on the improved training provided to the resident coordinators and urges continued consideration of these proposals, and others to be submitted, on support to the resident coordinator system;

27. *Calls for* an acceleration of the development and implementation of a comprehensive accountability framework for resident coordinators, as well as performance appraisal tools and procedures for resident coordinators;

28. *Reiterates* the need to ensure the functioning of the resident coordinator system in a participatory, collegial and accountable manner;

Country-level capacity of the United Nations system

29. Also reiterates the need for the range and level of skills and expertise assembled by the United Nations system at the country level to be commensurate with those needed to deliver on the priorities specified in each country's United Nations Development Assistance Framework, in line with the national development strategies and plans, including poverty reduction strategy papers where they exist, and to correspond to the technical backstopping and capacity-building needs and requirements of developing countries;

30. Underscores the importance of reducing the administrative and procedural burden at the country level imposed by the design and delivery of development assistance, on the entities of the United Nations system and recipient countries in order to optimize the impact of such assistance on the development process of countries;

Evaluation of operational activities for development

31. *Emphasizes* the importance of national ownership and leadership of the evaluation process of operational activities for development and of building national evaluation capacities, including through the intergovernmental process aimed at providing coherent guidance to the United Nations funds and programmes as well as the specialized agencies, and also emphasizes the importance of the independence and impartiality of the evaluation function within the United Nations system;

32. *Notes* the endorsement in 2005 of the norms and standards for evaluation by the United Nations system through the United Nations Evaluation Group as constituting a contribution to strengthening evaluation as a United Nations system function;

33. Also notes the adoption by some United Nations organizations of evaluation policies that have been developed based on the norms and standards for evaluation endorsed by the United Nations Evaluation Group and looks forward to further progress in this regard;

34. *Recalls* the need for country-level evaluations of the United Nations Development Assistance Framework at the end of the programming cycle, based on

the results matrix of the framework, with full participation and leadership of the recipient Government;

Regional dimension

35. *Notes* the initiatives and efforts of a number of funds, programmes and agencies to decentralize and regionalize their activities in order to improve their efficiency and their response to national needs;

36. *Requests* the Secretary-General, in consultation with the United Nations Chief Executives Board for Coordination and the United Nations Development Group, to encourage the funds, programmes and agencies to seek, within their decentralization and regionalization efforts, synergies and complementarities with each other and the regional commissions;

37. *Requests* the Secretary-General to provide, in view of the preparations of the 2007 triennial comprehensive policy review, information on progress made in the alignment of the regional coverage of regional bureaux and regional technical support structures of the funds, programmes and agencies;

Gender

38. *Notes* the efforts made within entities of the United Nations system to mainstream a gender perspective and to pursue gender equality in their country programmes, planning instruments and sector-wide programmes;

39. *Also notes* that recent reviews of accountability mechanisms have found some persistent weaknesses in tracking allocations and expenditures for gender equality in the United Nations system;

40. *Recognizes* that gender-related targets have not yet been met for the recruitment of resident coordinators and that further measures would need to be taken in that regard and urges the United Nations system within this context to do more, with due regard to representation of women from developing countries and keeping in mind the principle of equitable geographical representation;

South-South cooperation and development of national capacities

41. *Calls upon* all the entities of the United Nations system to further enhance their support to South-South cooperation;

42. *Reiterates* the need to mobilize additional resources for enhancing South-South cooperation, including from both the United Nations system and donors and through triangular cooperation;

43. *Recognizes* that, while most United Nations entities have focal points established to promote South-South cooperation, there is a need for uniform information-sharing standards among United Nations entities to enable system-wide overview of progress made in this regard;

Transition from relief to development

44. *Notes* the ongoing work within the United Nations system to address the complex issue of transition from relief to development so as to enable the United

Nations system, the wider donor community and the affected State to approach transition with a coherent response and strategy;

45. *Encourages* efforts to build levels of national capacities during the transition from relief to development by, inter alia, adopting policies to systematically implement capacity-building;

46. *Notes* the efforts by the United Nations Development Programme, the Office for the Coordination of Humanitarian Affairs and the United Nations Development Group office to develop a joint programme for the purpose of providing joint coordination support during transition on an institutionalized basis and requests further information, on the progress made in that regard;

47. *Encourages* the Emergency Relief Coordinator to undertake close coordination with national authorities so as to make optimal use of available national capacity in relief efforts;

48. *Calls upon* on the relevant United Nations entities to further increase efforts, where appropriate, with due consideration of national data, to harmonize data collection and information management, during the phase of transition from relief to development and make that information available to the Member State concerned;

49. *Also calls upon* the relevant United Nations entities to support national efforts directed towards data collection and information evaluation through capacity-building and technical cooperation;

50. *Stresses* the need for adequate, sustained and timely resources to be devoted to the recovery phase in situations of transition from relief to development;

Guidelines for the next triennial comprehensive policy review

51. *Requests* the Secretary-General to focus the analysis for the triennial comprehensive policy review in 2007, within the context of the implementation of the internationally agreed development goals, including the Millennium Development Goals, on:

(a) Status of the implementation of the required actions set out by the General Assembly in its resolution 59/250 of 22 December 2004;

(b) Assessment of the efficiency and effectiveness of the assistance provided by the United Nations development system to developing countries in order to support their efforts to eradicate poverty, and achieve sustained economic growth and sustainable development;

(c) Review of the concrete steps taken and progress made by the United Nations development system to ensure country ownership and leadership of United Nations operational activities, including through alignment with national efforts and priorities and identification of further steps needed in this regard, for the consideration of Member States;

(d) Identification of measures and actions required for further improvement in the coherence, efficiency and effectiveness of the operational activities for development of the United Nations system at the country and regional levels including, as appropriate, quantifiable time-bound targets, wherever possible; (e) Identification of further ways to strengthen the efforts of the United Nations system in building capacities in developing countries in order to assist them in eradicating poverty and achieving sustained economic growth and sustainable development;

(f) Continued assessment of the extent to which organizations of the United Nations system, within their organizational mandates, have mainstreamed a gender perspective in their country programmes, planning instruments and sector-wide programmes and articulated specific county-level goals and targets in this field in accordance with national development strategies;

(g) Lessons drawn from experiences with the common country assessment/United Nations Development Assistance Framework process as well as options and recommendations for further improvements;

(h) Ways to improve the support to South-South cooperation and enhance its development effectiveness;

(i) Adequacy, predictability and long-term stability of the United Nations development funding, in the light of the challenges, by the achievement of the internationally agreed development goals presented to the developing countries and the international community, and to suggest further steps in that regard, and on the identification of ways to ensure adequate, predictable and stable funding, including through an assessment of the extent to which the increased use of results-based management and programming tools and multi-year funding frameworks and strategies has contributed to this;

(j) Assessment of the adequacy of human resources available within the United Nations system, in particular at country level, to support national efforts and priorities including national capacity-building;

(k) Assessment of steps taken and identification of further measures needed to support the resident coordinator system and to improve its adequacy, accountability and efficiency in order to implement an effective United Nations strategy at country level, in alignment with national priorities;

(1) Identification of options for encouraging the most qualified persons to apply for the post of resident coordinator;

(m) Identification of results, outcomes and lessons learned at the country level from evaluation activities and their use, as appropriate, in improving development results and outcomes and increasing the coherence, effectiveness and quality of programming at the country level;

(n) Further identification of the steps needed to streamline and strengthen the United Nations development system so as to ensure a smooth transition from relief to development.