



# Economic and Social Council

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## Substantive session of 2011

### Provisional summary record of the 30th meeting

Held at the Palais des Nations, Geneva, on Thursday, 14 July 2011, at 3 p.m.

*President:* Mr. Gutiérrez Reinol (Vice-President) . . . . . (Peru)

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*In the absence of the President, Mr. Gutiérrez Reinel (Peru), Vice-President, took the Chair.*

*The Meeting was called to order at 3.05 p.m.*

## **Discussion of operational activities**

### **Operational activities of the United Nations for international development cooperation**

*Follow-up to the general policy recommendations of the General Assembly and Council (E/2011/86, E/2011/88, E/2011/112, A/66/79-E/2011/107) (agenda item 3 (a))*

1. **The President** said that 38 years since the decision by the Economic and Social Council to undertake a comprehensive review of the operational activities of the entire United Nations system, this exercise had become an essential tool for changing activities on the ground. The ultimate aim was to improve the lives of populations in developing countries, but this was a challenging task. The fact that the contours of development evolved profoundly and very quickly made it necessary to stay ahead of demand and formulate responses in advance.

2. By 2030, developing and emerging countries would probably account for nearly 60 per cent of global gross domestic product (GDP) compared to 49 per cent in 2010. Nonetheless, the serious crises and difficulties the world was going through served as a reminder of how vulnerable economies were; and there were signs that the declared intention to provide assistance could fade. The changes that had taken place had increased the need for countries to develop a common programme of action and concerted responses, hence the growing role of multilateralism. Between 2006 and 2009, the multilateral share of total official development assistance (ODA) had grown from 37 per cent to 47 per cent, while the United Nations share had risen from 30 per cent to 33 per cent. The Organization had implemented a number of measures — creation of the United Nations Agency for Gender Equality and the Empowerment of Women (UN Women), in particular — but initiatives were still needed to develop the flexibility and responsiveness of the United Nations system, make it more consistent (given the roughly 30 largely independent organizations comprising it), strengthen the priority given to results, and function as effectively and efficiently as possible to optimize the share of resources that directly support developing countries.

3. **Mr. Stelzer** (Assistant Secretary General for Policy Coordination and Inter-Agency Affairs) presented the annual report of the Secretary General on results achieved and measures and processes implemented in follow-up to General Assembly Resolution 62/2008 on the triennial comprehensive policy review of operational activities for development of the United Nations system (E/2011/112). He noted that the United Nations system had taken major steps to collaborate closely in helping countries achieve their national and international development objectives more quickly. Activities in the United Nations Development Group (UNDG) had been prioritized more effectively, and the work had been better distributed between headquarters and regional agencies supporting United Nations country teams. The functioning of the resident coordinator system had improved; and new tools had also been put in place. Nonetheless, weaknesses persisted: information was still lacking on the impact of common systemic initiatives on gender equality; and new ways were needed to allocate competencies and available resources within the system to support programme countries, particularly for those in conflict and post conflict situations.

4. Presenting the report of the Secretary General on the Functioning of the resident coordinator system, including costs and benefits (E/2011/86), Mr. Stelzer said that the United Nations system was endeavouring to strengthen the lead role of resident coordinators by creating incentives for collaboration and establishing clear lines of accountability. Nonetheless, problems remained: while the resident coordinator was accountable for the results of United Nations country team, he/she did not have a direct hierarchical relationship with team members. Moreover, he/she was required to wear several hats without having direct control over the technical and financial resources needed. More generally, the role of resident coordinator as general leader still depended substantially on an aptitude for imposing himself/herself on teams and organizing them, especially in countries that are transitioning from assistance to development.

5. Presenting the Secretary General's report on the simplification and harmonization of United Nations development system (E/2011/88), Mr. Stelzer said that the initiatives taken at headquarters were increasingly driven by country needs, and this had generated substantial economies and efficiency gains. An in-

depth study was needed of the costs and benefits involved in the simplification and harmonization of existing operational practices.

6. The report of the Secretary-General on the analysis of the funding of operational activities for development of United Nations system for 2009 (A/66/79-E/2011/107) highlighted major trends and difficulties. In its financing of development activities, 65 per cent of funds had been used to finance long-term development activities, while 35 per cent had been targeted activities with a humanitarian focus. The imbalance between core and non-core funding continued to grow, which implied a fragmentation of resource flows and had a considerable influence on programme consistency and effectiveness and also on transaction costs. Furthermore, just 12 per cent of non-core funding for development activities in 2009 had been programmed through pooled financing mechanisms, such as thematic funds and special multi-donor trust funds.

7. More generally, various problems and possibilities were affecting the support provided by the United Nations system to developing countries. While the Millennium Development Goals remained the preferred framework, a growing number of countries were concerned about other issues, such as environmental viability, equity or even social capital. Thinking on post-2015 objectives would also guide country priorities, and the way the United Nations responded to emerging “needs” would be crucial for the countries’ perception of the Organization’s relevance. It was essential to place current and future reforms in the broader context of a rapidly evolving development and development co-operation framework. The first objective of the quadrennial comprehensive review of operational activities should be to provide the United Nations system with the tools to help people live better.

*Roundtable on the 2012 comprehensive quadrennial review by the General Assembly: “Expectations raised: issues, processes, outcomes”*

8. **The President** said that the theme of the roundtable was ambitious. It involved determining the extent to which the United Nations system had succeeded in improving the way it operated and enhancing the relevance, effectiveness and consistency of its activities. The 2012 quadrennial comprehensive review of operational activities should enable the

General Assembly to guide the United Nations system in responding to the new problems that had arisen since 2007. New approaches had been adopted in development co-operation (South-South co-operation), and the private sector and non-governmental organizations (NGOs) had gained importance. Nonetheless, the situation of the “aid’s forgotten groups” had become worrying, and a broad range of measures needed to be found to enable countries to regain their role as intermediaries in bringing persistent poverty to an end. The President proposed firstly discussing what “new generation” operational activities at the United Nations should consist of, and then consider the means to achieve them.

9. **Ms. Stewart** (International Labour Organization - ILO) took up the four pillars mentioned by the President, flexibility and reactivity, consistency, priority of results, and efficacy and return — which, with the ownership and control of programmes by the countries themselves, formed the contours of the modern version of the United Nations development system. She noted that it was a priority to inform the system as a whole of the results obtained in the development context, and to operate in relation to the strategic plan established by the UNGD, widely disseminated through national, regional and global plans.

10. As co-chairperson of the programming network of United Nations Development Assistance Framework (UNDAF), Ms. Stewart said that the network would henceforth concentrate on upgrading UNDAFs to make them responsive to demand. Struck by each organization’s lack of knowledge of what its development partners were doing, she said that steps were being taken to improve awareness of each organization’s particular strengths and competencies, and particularly in accepting that the distribution of tasks would be done in a genuine spirit of partnership that would make the difference for the countries in question. It would thus be possible to enhance flexibility and reactivity. She proposed inquiring first of all about the extent to which countries were willing to control and implement the programmes of United Nations system.

11. **Mr. Sambili** (Observer from Kenya) said that the UNDAFs and the application of the “United in Action” principle had made it possible to improve programme implementation by the countries and to concentrate on the priorities of member States. In 2009, the UNDAF

implemented in Kenya had been relaunched, after being aligned with the national action strategy entitled “Vision 2030”, thus making it possible to reduce the fragmentation of assistance and coordinate programmes better. In the framework of the Kenya Joint Assistant Strategy (KJAS), the Kenyan government had brought together over 15 development partners, including the United Nations, to harmonise and coordinate initiatives. In the capacity-strengthening domain, the contribution made by United Nations high-level advisers and volunteers had been very useful, but it was regrettable that it sometimes took three years to obtain the necessary resources. The United Nations had to be more reactive to respond more effectively to country needs.

12. Improvements were also needed in the transfer of competencies between United Nations and national stakeholders and institutional capacities. Although the major geopolitical blocs such as the East African Community, the Common Market for Eastern and Southern Africa (COMESA) and the Southern Africa Development Community (SADC) were facing major challenges, it was important that the United Nations continued to support them and maintain its influence in the region. Having just adopted a new constitution, Kenya was working for greater autonomy for the regions, which would need a lot of support.

13. **Mr. Gass** (Switzerland) said that before considering whether member States were sufficiently in control of the programmes, it would be worth remembering that the United Nations operational system for development support was based on the values and methods to which all member States subscribed, and on which the programmes implemented were based. Nonetheless, the issue of the control of specific activities on the ground arose at the country level, where it involved responding to specific expectations and needs. On that point, the quadrennial comprehensive reviews of operational activities were specifically intended to evaluate the scope and formulate clear and ambitious measures. Coordination between national authorities and country teams was clearly essential for success of the programmes and the effectiveness of United Nations system.

14. **Ms. McDade** (Resident United Nations Coordinator and Resident Representative of the United Nations Development Programme in Uruguay) said that her experience as Resident Coordinator in Uruguay and Cuba had been very enriching. The

frameworks implemented in those countries had responded to their specific demands, and were set in development programmes prepared in conjunction with each one. As Uruguay was a pilot country for implementing the “United in Action” initiative, the framework plan had been formulated and then implemented, with participation from all relevant ministries and all United Nations agencies present in the country. The contribution made by joint inter-ministerial and interagency workgroups had made it possible to prepare 16 joint programmes which had formed the basis for the UNDAF.

15. The “One Fund” mechanism and the expanded funding window had made it possible to persuade organizations to work together, and had improved the action capacity of the host country government, making it possible for its action priorities to be fully taken into account by the different United Nations agencies in the country. The special multi-donor trust fund had been extremely useful for Uruguay, as a middle-income country that received little financial assistance from the international community.

16. At the request of the host country, and as a consequence of the report of the special rapporteur on torture — a special cause for concern in Uruguayan prisons — the United Nations agencies present in the country were working on reform of the prison system, in a specific example of the normative action of the United Nations system and co-operation between its agencies. Specifically, the International Labour Organization (ILO) had examined the issue of forced labour in prisons; UN-Women and the United Nations Children’s Fund (UNICEF) were working on the case of women held in prison with their children; the World Health Organization (WHO) and the United Nations Office on Drugs and Crime (UNODC) had worked on the problem of the use of narcotics in prisons; and the United Nations Development Programme (UNDP) had provided training to prison staff.

17. Thus, through common funds and the preparation of joint programmes, resident United Nations agencies had been able to provide consistent and coordinated action. As part of an evaluation aimed at summarizing its experience as a pilot country, the Uruguayan authorities had indicated their desire to gain better control over programme implementation, from both the financial and strategic points of view, and had said that the role of the resident coordinator had met their expectations.

18. **Ms. Stewart** (ILO) expressed satisfaction that the balance of the framework plans seemed to be conclusive in middle-income countries such as Uruguay or Kenya.

19. **Mr. Sambili** (Observer from Kenya) stressed that it was essential that the United Nations had sufficient resources available to finance core activities to fully implement its action and strengthen its effectiveness, without constantly having to worry about finding donors.

20. **Mr. Gass** (Switzerland) said that one of the weaknesses of United Nations was its slow pace of reaction, which reflected the difficulty that member States had in harmonizing points of view and reaching consensus. For example, it had taken five years to create UN-Women, an initiative that was widely welcomed by all.

21. It had been agreed in 2004 that each specialized agency of the United Nations would have a plan of action relating to the triennial and quadrennial comprehensive reviews of operational activities, and report to the Economic and Social Council on their implementation. Nonetheless, apparently nothing had been done about this. Furthermore, paragraphs 121 and 122 of General Assembly Resolution 62/2008 (A/RES/62/208) set out various ways of reducing the general expenses of United Nations specialized agencies, in particular by rationalizing the use of office space, standardizing cost-recovery procedures, or implementing common support services. Hopefully the 2012 quadrennial review would provide an opportunity to evaluate the status of those measures.

22. Also in the framework of development assistance in the countries, Mr. Gass stressed the importance of sector-level approaches compatible with national implementation. In that regard, it was important not to question governments' implementation capacities and think that only the United Nations could remedy the problems of the different countries, because first and foremost States needed to run their internal affairs as they saw fit.

23. Mr. Gass also said that progress needed to be made to more effectively manage post-conflict transition situations, and not leave the countries in question to their own devices, particularly after Security Council missions had departed.

24. Noting that financial resources were largely absorbed by the administrative apparatus of the organizations in the countries, Mr. Gass recommended merging certain administrative and support services.

25. **Ms. McDade** (Resident United Nations Coordinator and Resident Representative of the United Nations Development Programme in Uruguay) said that it was urgent to harmonize practices and procedures between the agencies, funds, and programmes of the United Nations system. For example, lack of homogeneity between the procedures of the various organizations present in Uruguay meant that separate audit activities had to be undertaken in each agency, which used up a lot of resources and seriously undermined the credibility of the system as a whole. While supporting the idea of merging part of the administrative services of resident agencies to rationalize resource use, Ms. McDade thought that willingness was still lacking, and that the lack of harmonization between United Nations entities made the task almost impossible. She urged the representatives of member States to raise the issue of the harmonization of procedures and practices with the management bodies of the system's different entities.

26. To improve the effectiveness of mechanisms, it would also be worth clarifying the relation between resident coordinators and members of the country teams, by defining their mutual obligations more clearly. The United Nations system needed to implement development assistance activities that embraced a wide range of situations and countries, and adapt its practices as a consequence. Lastly, in a period of budgetary austerity, the system should take better advantage of the diversity of skills of its specialized personnel, although such diversity was not needed in administrative support services.

27. **Ms. Kaag** (UNDP) said that the resident coordinators were calling for simplification and harmonization of procedures ; and this firstly meant allowing teams on the ground to respond to country requests in terms of development and to execute their mandate effectively.

28. In the framework of the quadrennial comprehensive review, it would also be necessary to better define what was meant by the universality of the United Nations development system, to respond better to the expectations of a wide range of countries in different types of situation, and to ensure the necessary

flexibility of action. The management and accountability system on which resident coordinators relied did not enable them to exercise the necessary control over the results obtained by the different agencies and hold them to account for their activities. It was important that all United Nations agencies present in countries felt involved in the system's global action and wholeheartedly participated their successes or failures.

29. The effectiveness of coordination efforts also entailed costs that needed to be controlled more effectively. It was necessary to use resources rationally and to improve the financing model with a view to greater consistency of the resident coordinator system and strengthening of the global effectiveness of the activities of United Nations system at the country level.

30. **Ms. Gervasi** (Peru) welcomed the fact that participants had raised the situation and middle-income countries, of which Peru was one. On that point, she asked Ms. McDade what points should be addressed during the 2012 quadrennial comprehensive review in relation to the operational activities to be implemented in middle-income countries.

31. **Mr. Rahman** (Bangladesh) said that United Nations agencies generally fulfilled their tasks well, although there was still room for improvement. Although stakeholder participation on the ground was growing, in many countries there was a lack of coordination, not only with development partners, but also with the authorities themselves. Sometimes the resident coordinator saw the government as a competitor and seemed to consider that national public authorities should follow the path defined by United Nations agencies. Yet the countries themselves should be able to run the programmes implemented in them. On that point, Mr. Rahman asked participants whether they thought sufficient emphasis was being placed on the national implementation of projects, and whether governments genuinely held the reins of development programmes.

32. **Ms. Dowlatchahi** (Food and Agriculture Organization of the United Nations - FAO) said that United Nations agencies, particularly the specialized institutions, were working to make their activities more participatory at all levels. Nonetheless, in terms of the 2012 quadrennial comprehensive review of operational activities, it was worth considering ways to make

further progress on that path, particularly regarding non-resident agencies.

33. It was important to generate synergies between the different management bodies within the United Nations system, and to make their work more consistent, specifically by improving information exchange between the management bodies of specialized agencies and the Council, regarding their recommendations on issues of common interest.

34. With a view to improving the consistency of programming procedures at the country level, the UNDAFs should be the main programming instrument used by country teams; and any overlap of activities needed to be avoided to conserve both the necessary flexibility and a good cost-effectiveness ratio. The next quadrennial comprehensive review of operational activities should therefore consider the links between the UNDAFs and the approaches adopted by specialized agencies on programming. It was also important to fully understand that the programming frameworks of specialized agencies were complementary to the processes of establishing the UNDAF, and were the channel through which those institutions directed their efforts on specific elements of their mandate.

35. In relation to current budgetary constraints, due attention needed to be paid to coordination costs, at both the global and local levels. For example, the provision of specialized competencies and services should be co-financed, which was not always the case at the country level. It was also important to consider more effective ways of supporting non-resident specialized agencies or agencies with limited capacities.

36. **Ms. McDade** (Resident United Nations Coordinator and Resident Representative of the UNDP in Uruguay), referring to the issue of middle-income countries, said that the universal nature of the principles on which the United Nations system was based meant that a child in a poor country, for example, had the same rights as a child in a rich country. That was true for all categories of rights, whoever their holders might be. Moreover, any development system should be based on the following principles: whoever needed assistance was entitled to receive it, wherever he or she was ; and it could not be considered that after a country achieved a certain level of GDP per capita its inhabitants were not entitled to

the assistance in question. On that point, it would be useful to include a preamble to the quadrennial comprehensive review of operational activities, setting out the legal framework of the human rights on which the United Nations system was founded.

37. Given the principle that each individual was a right holder wherever he or she might be, the real question was who had responsibility for ensuring respect for that right. The corresponding financial burden should be increasingly assumed by countries themselves as their economic situation improved. Nonetheless, some countries with rapidly growing economies had high poverty rates and an unequal distribution of wealth. The role of the United Nations in such cases should not be to finance the fight against poverty as a whole, but to help the country implement policies that will enable it to address the issue. The United Nations was not created to finance all endeavours in its domains of competency, but to provide technical assistance, know-how and advice. This meant making a distinction between the entity that provided financing and the entity that provided those specialized competencies — a distinction that needed to be established in the quadrennial comprehensive review of operational activities.

38. Working in conjunction with national organizations and striving to strengthen country's capacities necessarily meant applying the principle of national execution. As that had been the case in Uruguay, United Nations agencies provided technical assistance and ensured project execution when local capacities were insufficient; but once those capacities had been acquired, project execution was handed over to the country in question.

39. **Mr. Sambili** (Observer from Kenya), referring to middle-income countries, said that the question was not so much the financial resources available to those countries, but their capacities. Some of those countries had become more prosperous thanks to their natural resources, but had not really developed their capacities. The United Nations agencies then had a role to help countries acquire the necessary capacities. It would be a mistake to assume that a middle-income country did not need support.

40. On the issue of national execution, Mr. Sambili said that, in Kenya, United Nations agencies used national systems. Nonetheless, sometimes those agencies, seeing that national priorities were not fully

consistent with their mandate — which they were bound to respect — were taking steps to make those priorities coincide with their mandate. It would therefore be desirable that agencies were given mandates that were sufficiently flexible to enable them to adapt to the specifics of the countries in which they worked.

41. **Mr. Gass** (Switzerland) said that the principle of national execution had been adopted by the United Nations system generally, but applying it still posed a technical problem. United Nations agencies had to find ways to adapt to that way of working, which also meant adopting a sector-based approach. He also pointed out that coordination costs were inversely proportional to the determination shown by each manager of the fund, programme, or specialized institution to submit to coordination. Permanent co-ordination of actions generated economies making it no longer necessary to look for another procedure or directive.

42. **Ms. Banaken** (Cameroon) said that, in view of the new UNDAF cycle for Cameroon, which would begin in 2012, a national evaluation had been made of co-operation between Cameroon and the agencies of the United Nations system. The study had found that some progress had been made in terms of cooperation and consistency, but many gaps remained, particularly on the simplification and harmonization of procedures. Not only did procedures vary from one agency to another, but they were changed without even the authorities being informed. Ms. Banaken asked what steps could be taken to rectify that situation. Moreover, some agencies preferred to use the human resources present in civil society rather than those provided by public authorities, which the Cameroon government considered undesirable: civil society did not have the necessary human resources, so those agencies renewed contact with the authorities, which involved delays and made procedures more cumbersome. Lastly, Ms. Banaken asked what lessons could be learned from the pilot project to create the One United Nations Fund.

43. **The President**, referring to the harmonization of procedures, asked whether it would be feasible to standardize the cost of projects executed in the various countries.

44. **Mr. Seth** (Office for ECSOC Support and Coordination) said that resolutions relating to

comprehensive reviews of operational activities referred to certain principles such as South-South co-operation, and gender equality or women's autonomy. Nonetheless, the guidelines given on those principles were so general and written in such vague terms that they were difficult to apply in practice at the country level. He wondered whether it would be feasible to extract precise and directive criteria from those guidelines, which would enable the agencies of the United Nations system to know precisely what was expected of them, and to facilitate the monitoring and application of resolutions.

45. Moreover, the UNDAFs were generally aimed at the achievement of the Millennium Development Goals. Nonetheless, the United Nations Conference on Sustainable Development (Rio+20), to be held in 2012, would discuss new orientations, emphasizing the achievement of those goals through ecologically viable means, which would complicate the task still further. Mr. Seth wondered whether the United Nations system had the flexibility needed to adapt in response to those framework plans between now and 2012.

46. **Mr. Warraich** (Pakistan) said that, in view of the current economic difficulties, it was urgent to make the actions of United Nations development agencies more effective. Endeavours in that area should target the domains in which the potential benefits justified the amount invested, and the economies obtained from efficiency gains should be channelled into development. It was also important that resident coordinators co-operated more effectively with the various organizations working in the countries and combined more effectively with the national authorities.

47. The current economic difficulties were being aggravated by the concomitant budgetary constraints, and donors were unwilling to provide the resources necessary for development. Mr. Warraich asked about possible proposals on ways to strengthen the effectiveness of the operational activities of United Nations system, given the lack of resources and the additional needs of the countries concerned, and on ways to ensure that development activities took greater account of the priorities of those countries.

48. **Mr. Christófolo** (Observer from Brazil) said that it was important to coordinate the actions of all entities present on the ground, because, whatever their mandate, they were all part of the United Nations system. The

populations concerned did not know all of the different organizations and entities comprising the system, but simply wanted to be helped to overcome their problems. It was also extremely important to maintain close and permanent contact with the national authorities, to listen to them and act on the basis of their expectations, priorities, and needs. It was impossible to overcome the problems of developing countries by imposing solutions that they deemed inappropriate; the countries themselves had to decide what they needed and judge the appropriateness of the activities proposed. Neglect of that principle could only lead to failure, as shown by numerous examples of projects implemented in good faith that had absorbed large amounts of resources with no satisfactory result. The resident coordinator should therefore make sure that those activities did not only respond to the objectives set within United Nations system, but also to the government's objectives and priorities. It was also important never to lose sight of the fact that United Nations agencies were not intended to stay in the country indefinitely, but to help it create conditions which would enable it to no longer need assistance.

49. Certain countries had a large number of non-governmental organizations (NGOs), and often most of the resources channelled into the development of those countries were allocated to them. In such situations, the resident coordinator could play a very important mediating role between the different parties.

50. In the case of the quadrennial comprehensive review of operational activities, it would be useful for all stakeholders to possess a compilation of all regulations on United Nations funds and programmes, to be able to prepare the review properly.

51. Lastly, Mr. Christófolo noted that there was a feeling in the United Nations system that there were too many reports. Although it was essential to focus more on the problems facing each country, it was equally important work to resolve them, mobilize the necessary resources and exchange information from relevant experience.

52. **Ms. Dupuy Lasserre** (Observer from Uruguay) regretted not having been able to attend the presentation by the Resident United Nations coordinator on the activities of the pilot project "United in Action" in Uruguay, owing to her commitments in the Human Rights Council of which her country was currently president. Uruguay considered that

experience to be useful, which it was trying to promote in Human Rights Council as a process favouring transparency, the exercise of democracy and good governance, and helping donors to avoid duplication and to reduce costs. Nonetheless, a number of criticisms had been made of the administrative burdens that seemed to arise from the programme.

53. Uruguay was grateful for the technical assistance provided by the special rapporteur on torture, who visited the country at a time when the authorities had just declared a humanitarian emergency regarding the situation in prisons. The special rapporteur had recognized the willingness of the Uruguayan government and the fact that its resources were limited. As a middle-income country whose budget was adopted on a five-year cycle, Uruguay could not immediately make all of the considerable investments needed to improve prison infrastructures and the training and recruitment of prison staff.

54. As a representative of the Latin American and Caribbean region, Uruguay had requested and obtained in 2010 the creation of a specific regional fund for HIV/AIDS prevention, making it possible to extend prevention and care to vulnerable populations such as prison inmates or sex workers — groups that could not be excluded, given the risk of a revival of the epidemic. Most countries in the region had attained, or were approaching, a middle-income level, but they could not meet all of their needs alone. The United Nations could play a facilitating and coordinating role in the region, to ensure that technical or financial co-operation was provided in the best conditions to the stakeholders concerned.

55. **Ms. Zamora Giménez** (Spain) said that the example of pilot countries of the “United in Action” initiative, such as Kenya and Uruguay, showed that the United Nations had made real operational progress over the last few years. The sharing of the experience of those countries should show the way. The Spanish delegation considered that a radical reform of the United Nations development assistance system was not a matter for the present. In its opinion, it was necessary to persevere with the ongoing process and take stock of the results. In the final declarations of the two international meetings held under the “United in Action” initiative, at Kigali in 2009 and Hanoi in 2010, beneficiary countries had reported progress in coordination, visibility and consistency. Those opinions should be taken into account in the

independent evaluation to be made of the programme, and specific indications should be provided by all stakeholders, given the significant resources and effort invested in the programme.

56. The Spanish delegation took note of the request addressed to countries participating in the executive bodies, by the resident coordinator in Uruguay, that they continue to insist on greater coordination not only on strategy and planning issues, but also on matters of method and budget, including outcome indicators. Both donor and beneficiary countries needed reference points to be able to explain to their citizens the development actions of the international community and United Nations — not only the use of funds, but also specific efforts targeting the beneficiaries’ living standards.

57. **Mr. Schmid** (Germany) drew attention to the contradiction between the demand for more targeted strategic planning and the fact that over 70 per cent of resources are off-budget; and he wanted additional explanations on that subject.

58. **Mr. Odori** (Observer from Nepal) said that the period 2013-2016, which would follow the 2012 quadrennial comprehensive review of operational activities would be decisive for achieving the Millennium Development Goals, and the measures contained in the 10-year action plan adopted at the recent United Nations conference on the least developed countries.

59. Mr. Odori noted that, despite the importance given in development discourse to the principles of national ownership and the preponderant role of national authorities, there was still a tendency among international aid actors, to bypass the States. He also noted the finding of the United Nations Secretary General that the social sector was receiving preference in operational activities to the detriment of infrastructures and productive sectors. Agriculture, the key sector of the economy in least developed countries (LDCs), only accounted for 3.8 per cent of bilateral and multilateral international aid. While, as the resident coordinator Uruguay had said, the United Nations was not a bank, it was nonetheless its role to bring the group of coordinators to a good understanding of the beneficiary’s needs and priorities.

60. Mr. Odori also wanted participants to specify how, during the quadrennial comprehensive review of operational activities, the mismatch between the

ordinary budget and off-budget funds could be effectively addressed, which had fallen from 69 per cent in 1994 to just 34 per cent in 2009 ; and the phenomenon identified in certain studies, of “siphoning” of resources, whereby up to 45 per cent of resources leak out of beneficiary countries, owing to the excessive cost of consulting services or technical assistance, or the undue priority given to foreign products in supplies.

61. **Mr. Piminov** (Russian Federation) said that his delegation favoured pragmatic reforms. What mattered was not so much the content of the reforms as the way they were implemented. In the past, overly hasty reforms had not produced the expected results, creating a sense of caution, or mistrust in relation to reform processes. The Russian delegation wanted the quadrennial comprehensive review of operational activities to avoid all confrontation of political interests, and be a frank and open process that took account of everyone’s opinion. It was important that the reforms were consistent and that all inter-governmental mandates were executed. It was also important to respect the obligation for agencies of United Nations system to be accountable, and the prescriptions of member states.

62. **Mr. Mertens** (World Health Organization - WHO) said that reform issues were a daily concern for an organization that had 150 national offices and six regional offices. Since the first comprehensive review of operational activities in 1997, there had been some improvement in the way the WHO coordinated its activities and was accountable to member states. Nonetheless, it was reasonable to ask whether the process, which had existed in the same form for over 10 years, had not reached saturation point. The 2012 quadrennial review could be an opportunity to review the approach to evaluating United Nations policies.

63. More progress had been achieved in reforms over the last three or four years than in the previous ten. The UNDAF had become the cornerstone of the process of reforming development activities; and significant progress had been made both from the standpoint of the unity of action of the WHO with other specialized institutions, and in terms of the adaptation of programmes to the needs of beneficiary countries. Nonetheless, the UNDAF approach often proved incompatible with the sector approaches used at the WHO, which were more pragmatic and often better financed by donors. The creation of a fund by country,

under the “United in Action” initiative, or else special multi-donor trust funds, provided interesting prospects for the future in that regard.

64. On the issue of coordination costs, Mr. Mertens said that the problem could possibly be secondary if the results were more discernible. The time had perhaps come to consider a more autonomous functioning of United Nations country teams, which could concentrate better on operational aspects and on obtaining results if current administrative procedures were lightened.

65. **Ms. Ajamay** (Norway) welcomed the clear and constructive debates that were very useful to delegations in explaining to their authorities and administrations the very complex process of the comprehensive review of operational activities. She hoped that the same momentum would be maintained in the months to come until the final negotiation.

66. Some of the issues that needed to be addressed were politically very sensitive. The question of financing, in particular, had been avoided for many years. A situation in which some 10 countries accounted for almost 80 per cent of the financing of United Nations operational activities was not sustainable in the long term. Among those countries, two with fewer than 5 million inhabitants were the third and fourth largest contributors. A fairer distribution of burdens was needed between industrialized countries, and also with emerging countries, which should assume a larger share of assistance, particularly core activities.

67. With regard to the allocation of financing, without in any way questioning the legitimacy of the needs of poor populations living in middle-income countries, Norway believed that the United Nations’ current budgets did not allow it to go much further in the current direction without compromising the financing of the needs of LCDs, countries in conflict and fragile states. National financing, tax increases and greater social responsibility among middle-income countries were the only true possible response to the problems of financing operational activities.

68. **Mr. Gass** (Switzerland) said that the Norwegian position answered the question raised by the representative of Pakistan on resources, namely that emerging countries should participate more in the financing the ordinary budget. The ordinary budget should correspond to the critical mass of resources

determined in the strategic plan of each institution. It should then be financed on the basis of needs. The contribution of emerging countries was decisive in that respect.

69. **Mr. Sambili** (Observer from Kenya) said governments did not always clearly perceive the contours of United Nations action at the operational level. Precise guidelines could be established to explain the operational functioning of United Nations and its teams in the framework of the “United in Action” policy. Moreover, scheduling permitting, it might be useful between now and 2012 to invite coordinators and resident representatives to hold consultations at the level of each country with member States to attempt to specify issues that they wanted to see addressed during the quadrennial review.

70. **Ms. McDade** (Resident United Nations Coordinator and Resident Representative of the UNDP in Uruguay) said that the forthcoming meeting to evaluate the “United in Action” initiative, to be held on 8-10 November 2011 in Uruguay, would be an opportunity for pilot countries and volunteer countries to share the lessons of their experience and to indicate future orientations. The balance obtained from the previous meetings at Kigali and Hanoi was particularly positive ; and the next meeting would be an important event. A joint declaration should be adopted there to provide a basic contribution to the quadrennial review.

71. A key issue to be addressed during the quadrennial review was the role of the Economic and Social Council in relation to the decision-making bodies in various funds, programmes and institutions. Very often, the Council issued guidelines or regulations, but the instructions that were really followed at the operational level were those of the decision-making body of the programme in question; hence the separation perceived between the two decision levels, which created a hiatus in the functioning of United Nations system.

72. With regard to coordination costs, Ms. McDade should noted that such costs not only involved operations on the ground, but also the support provided by resident coordinators for the official visits made by persons such as the Secretary-General, special rapporteurs on human rights or representatives of the Economic and Social Affairs Department. The financial cost was fully borne by the UNDP. A better distribution of the expenses with other specialized institutions was

needed to avoid the UNDP having to finance activities of the United Nations system that did not concern development.

73. **The President** thanked participants and delegations for the quality of the discussions. He hoped that the same constructive spirit would prevail in the negotiations to be held at the United Nations General Assembly to finalize the report on the quadrennial review of operational activities.

*The meeting rose at 6.15 p.m.*