



UNDG meeting

9 May 2013, 9:30 AM - 12:30 PM (EST)

DC1 – 21st Floor, Hank Shannon Conference Room

Meeting Report

Item 1 – Introduction by the UNDG Chair

1. The UNDG Chair, Helen Clark, opened the second UNDG meeting of 2013 by sharing her reflections on the work of the UNDG, including on progress made on the implementation of the Quadrennial Comprehensive Policy Review of UN operational activities for development (QCPR), work done in support of the post-2015 development agenda and devising system-wide cost-sharing of the Resident Co-ordinator system, and the audit of the Development Operations Co-ordination Office (DOCO).
2. The Chair highlighted the critical support the UNDG had been providing for **accelerating achievement of the MDGs** based on the MDG Acceleration Framework in 46 countries. She noted the significance of the commitment of the new President of the World Bank to support for MDG acceleration work with the UN development system, noting that the resources of the Bank coupled with the expertise of UN Country Teams were a powerful combination for achieving progress.
3. With regard to the preparations of the **post-2015 development agenda**, the Chair noted that the UNDG had been both active and successful in supporting inclusive national dialogues in 93 countries, eleven thematic consultations, and an ambitious social media platform in order to broaden the debate beyond governments to broader groups of stakeholders and citizens. She thanked the agencies which had led on the thematic consultations and all those involved in organizing this very large outreach campaign.
4. Reflecting on the preliminary outcome of the consultations, the Chair noted that the MDGs still resonated as essential building blocks of development, but that there was also a strong desire for deeper analysis and a focus on quality, with due attention given to those who are often marginalized, including women, indigenous people, ethnic minorities, people with disabilities, and many others. The theme of inequalities surfaced across the thematic consultations, and there was a strong call for better statistics and disaggregation of data. There was also awareness that the consensus from Rio+20 on the interlinkages between poverty eradication, equity, and sustainability needed to be reflected in the new agenda.
5. Looking ahead, the Chair noted that important choices would have to be made to arrive at a measurable, focused post-2015 agenda. It would also need to be determined by member states whether governance, human rights and the rule of law could be integrated into the agenda as important objectives in their own right and/or as enablers of development. There appeared to be a desire for a universal agenda – applying to countries rich and poor – which would need to be designed without losing focus on the poor and on addressing inequalities.

6. With regard to **system-wide cost-sharing of the Resident Co-ordinator system**, the Chair noted the UNDG Principals Advisory Group had reached a critical breakthrough agreement based on the following key parameters:

- A centralized, predictable funding modality will replace current ad hoc arrangements and requests for funds;
- The modality will be based on a global funding scenario of some USD 121 million annually - equivalent to 0.8 per cent of development-related UN operational activities;
- UNDP will continue to fund the backbone of the RC system, amounting to some USD 88 million;
- The remaining USD 33 million will be cost-shared by the UNDG, including UNDP;
- All UNDG member entities are expected to participate in the cost-sharing based on a formula, which takes into account (1) an annual base fee - \$175,000 for smaller entities with less than \$500 million annual expenditures and \$350,000 for larger organizations, (2) agency staff size and expenditures, and (3) system load as measured by agency participation in UNDAFs;
- Humanitarian organizations, which already contribute to humanitarian co-ordination mechanisms, pay a discounted rate, whereby humanitarian expenditures and staff numbers are excluded from the calculation of agency size. In recognition of its funding of HIV-specific coordination, UNAIDS receives a flat-rate discount of 20 per cent;
- UNDG members are expected to contribute from 2014 onwards or, for those agencies whose next budget cycle starts later, the first budgetary opportunity thereafter;
- For the initial phase in 2014/2015, the funding modality will rely on cash contributions to the greatest extent possible. For the medium term, the UNDG will also develop a methodology for measuring and accounting for in-kind contributions;
- The USD 121 million will provide core minimum co-ordination capacity to UN country teams based on a typology of countries, the Regional UNDG Teams and DOCO as the UNDG Secretariat;
- At country level, ten functions are agreed to constitute the essential co-ordination activities performed by Resident Co-ordinators and UNCTs, which this funding supports, including strategic positioning of the UN in the country, knowledge management and co-ordination, communication and advocacy, and monitoring and evaluation;
- A financial management system will be put in place, which will enhance the accountability and transparency of the central financial system and allow for measuring return on investment;
- The UNDG will also continue to review its business model and to seek efficiencies to ensure the RC system remains as effective as possible.

7. With regard to follow-up with UNDG member entities, the Chair noted that she had since reached out to Principals who are not members of the Advisory Group and to the Secretary-General's Chef de Cabinet to seek their support and confirm the amounts they are able to contribute for 2014/2015. She emphasized that for cost-sharing to come into effect in 2014, all agencies would need to make the necessary provisions in the budget proposals for the next biennium to be submitted to their respective governing bodies at the earliest opportunity. The Principals Advisory Group had agreed that it would be important for all UNDG member entities to present the funding proposal as part of the broader UNDG vision for effective development in response to the QCPR. DOCO would prepare a common background brief to this effect.

8. With regard to funding, the Chair noted that until the cost-sharing modality would become fully operational, the Principals Advisory Group had agreed that current ad-hoc cost-sharing of the Resident Co-ordinator system at the country, regional and global level would need to continue. As some UNDG member entities had already

indicated that they would not be able to contribute their full share until 2016, the UNDG Chair and DOCO are seeking support from donors to cover the resulting funding gap in the transitional phase, which was estimated to amount to some USD 8-10 million both in 2014 and 2015 – an amount which would move if more agencies, funds and programmes than anticipated cannot meet commitments. The latter scenario would severely impact on UNDG co-ordination.

9. **With regard to next steps, the UNDG Chair indicated that she would shortly write to each UNDG Principal stating the exact amount for each agency. She would also inform the Secretary-General of the agreement reached to enable him to report back to ECOSOC in his report on the implementation of the QCPR, which will be released towards the end of June.**

10. With regard to the **outcome of the DOCO audit**, the Chair informed the UNDG that the audit had been conducted by the Special Assignments Section of UNDP's Office of Audit and Investigations. It covered the activities of DOCO since its functional restructuring in the period from 1 January 2011 to 30 September 2012.

11. To assess the relevance, effectiveness and efficiency of DOCO support, the auditors had interviewed many of the key stakeholders in the UNDG and performed an analysis on a sample of working mechanisms. Notably, all interviewees had expressed satisfaction for the support provided by DOCO at the global and regional level, acknowledging solid backstopping and objective and neutral support. Overall, DOCO was assessed as "partially satisfactory." A "fully satisfactory" rating could not be awarded mainly for two reasons, both of which are beyond DOCO's control: (1) There had been no agreed sustainable funding for DOCO at the time of the audit and (2) DOCO had 25 per cent fewer staff but still an extremely high work load, which required further prioritization of work for DOCO to be able to deliver effectively.

12. **The Chair noted that the audit had also recommended that the UNDG prioritize support provided to Delivering as One countries by: (a) ensuring key guidance for monitoring and evaluation of Delivering as One is provided to UNCTs; (b) strengthening its support beyond policy directives into operational support for implementing these policies/guidelines, especially on the UNDAF Action Plan and monitoring and evaluation; and (c) sharing experiences at the country level and at higher-level fora to influence appropriate policy decisions. DOCO would follow-up on the audit recommendations in detail and keep the UNDG apprised of progress.**

Item 2 – Update on QCPR implementation process

13. Thomas Stelzer, Assistant Secretary-General for Policy Co-ordination and Inter-Agency Affairs, DESA, briefed the UNDG on the QCPR implementation process. He highlighted that the Secretary-General attached great importance to the coherent implementation of the QCPR as evidenced by the letter he had sent to UN Executive Heads in January. The Secretary-General's Management Committee had since taken up work on QCPR mandates related to business practice reform and the Secretary-General's Policy Committee was expected to discuss the QCPR follow-up in June.

14. In preparation for the Secretary-General's first report on the implementation of the QCPR to ECOSOC, DESA had been working closely with DOCO and issued three surveys to Resident Co-ordinators and Operations Management Teams, to which responses from over 100 countries had already been received. DESA had also

finalized the funding indicators for the QCPR, while the indicators for the areas of capacity development and development effectiveness, and the functioning of the RC system were in the process of being finalized.

15. The ECOSOC Operational Activities Segment will take place from 10-12 July in Geneva. It will focus on the implementation of the QCPR, whereby the issue of accountability will be a common thread throughout the sessions. The annual dialogue with the Executive Heads of UN funds and programmes is confirmed for the afternoon of 10 July. The dialogue with the Chairs of the Executive Boards of funds and programmes will take place on 12 July. High-level participation is expected from Member States at the level of ministers of director-generals from capitals.

16. Background documents for ECOSOC, including the Secretary-General's report on the implementation of the QCPR and the Secretary-General's analytical report on funding are due to be completed by mid-June. Draft versions will be shared with the UNDG for comments towards the end of May.

Item 3 – Update on Delivering as One Standing Operating Procedures

17. The UNDG Chair introduced the agenda item by noting that she had received a joint letter from ILO, WHO and FAO, requesting further revisions to the Standing Operating Procedures (SOPs). Consequently, some adjustments were being proposed to the SOPs by those agencies which had signalled that the comments sent prior to the full UNDG meeting were not fully addressed in the final draft. The Chair emphasized, however, that it was critical to overcome these issues over time. She appealed to all UNDG member entities to go with the spirit of the QCPR, noting that Member States as well as the Secretary-General expected the United Nations to think and act together as one. In an environment of scarce resources, leveraging the collective strength of the UN development system was therefore more important than ever.

18. Anne-Birgitte Albrechtsen, the former Chair of the UNDG High Level Group which developed the SOPs,, briefed the UNDG on progress on their implementation. She noted that since the SOPs had been adopted by the UNDG in February, the UNDG working mechanisms had focused on developing integrated guidance for UN Country Teams in time for the next UNDAF roll-out process. The latter would gather momentum in the fall and constituted a critical opportunity the UNDG could not afford to miss. UNDG working mechanisms and Regional UNDG Teams had been thoroughly briefed to this effect in order to ensure coherent and timely implementation of the SOPs.

19. Ms Albrechtsen highlighted, in particular, the task of the UNDAF Programming Network to develop guidance and terms of reference for UNDAF Results Groups, which represented a significant shift from joint planning to joint delivery of results at the country level. A second priority area would be accelerated simplification and harmonization of business practices in close collaboration with the High Level Committee on Management (HLCM). HLCM had already developed an ambitious plan to this effect, whereby individual agencies were tasked with taking the lead on certain issues, and the UNDG would need to determine how it could best contribute.

20. With regard to the Plan of Action for Headquarters contained in the annex of the SOPs, Ms Albrechtsen noted that some elements would not be part of the integrated guidance, including the issue of replacing Country Programme Documents, and would need to be taken up by the UNDG ASG Advisory Group and subsequently the UNDG over the coming months.

21. The **UNDG** agreed on the need to issue integrated guidance to Resident Co-ordinators and UN Country Teams on the implementation of the SOPs in time for the next UNDAF roll-out process. The guidance would need to establish common standards for Delivering as One, while also allowing for sufficient flexibility to adapt to national contexts, including integrated mission settings, and facilitate engagement of non-resident agencies through their global and regional programmes. It was clarified that Regional UNDG Teams would be expected to serve as first respondents for UN Country Team support, the UN System Staff College would support UNDAF Strategic Planning Retreats in countries, and DOCO would support global monitoring, knowledge management and the development of standards and guidance by the UNDG working mechanisms.

Item 4 – UNDG engagement on the post-2015 agenda

22. John Hendra, Co-convenor of the UNDG MDG Task Force, briefed the UNDG on the preparations of the post-2015 development agenda. He highlighted the collaborative approach the UNDG had taken in support of national and thematic consultations, which had resulted in the first UNDG report “The Global Conversation Begins” (available alongside other resources at www.worldwewant2015.org). At the meeting of the High Level Panel of Eminent Persons on the Post 2015 Development Agenda in Bali, the role and contributions of the UN development system had been very positively acknowledged.

23. Mr. Hendra noted that the Secretary-General’s Policy Committee had met in April and reached consensus on a way forward for the post-2015 preparatory process. The forthcoming report by the Secretary-General would be critical for ensuring that the United Nations continued to speak with one voice. The MDG Task Force was focused on supporting inclusive and participatory consultations and would hold a retreat in June to prepare the second report on the outcome of the consultations, to be launched in July. The MDG Task Force was also planning to organize a side event at the General Assembly’s Special Event on MDG Progress in September to give traction to issues coming out of the consultations.

24. The Chair noted that the process was firmly led by Member States through the Open Working Group, co-chaired by Kenya and Hungary, and acknowledged the critical work of the MDG Task Force for ensuring that the deliberations of Member States were thoroughly informed by the groundswell emerging from the national and thematic consultations. She noted that poverty eradication was viewed as a central objective by Member States, and that the World Bank had recently established a new division dedicated to eradicating extreme poverty by 2030. The Chair noted that the geography of extreme poverty would increasingly be confined to crisis and post-crisis settings, highlighting the linkages between establishing peace and justice and pursuing poverty eradication.

25. With regard to the work of the High Level Panel, it was noted that there had been a positive development of broadening the agenda from a narrow focus on poverty eradication in the poorest countries to a universal agenda for all countries, grounded in sustainable development with a better reflection of governance issues. The forthcoming High Level Panel report was highly anticipated and expected to outline overall principles, including on poverty, inequality, governance, and financing.

Item 5 – UNDG work plan 2013-2014 / QCPR Action Plan

26. Nicole Deutsch presented the QCPR Action Plan on behalf of the UNDG Task Team, which has prepared the draft under the auspices of the UNDG ASG Advisory Group. The Task Team has been chaired by UNICEF and consisted of UNDP, UNESCO, UNFPA, FAO, UN Women, UNIDO, WFP, DESA, and DOCO.

27. Out of the 177 mandates of the QCPR, the Action Plan identifies 28 common priority action areas for the UNDG, including nineteen specific and time-bound actions identified by Member States as well as nine broader areas for action, clustered around the main sections of the resolution. The Action Plan contains 65 indicators, which have been extracted from those being tracked DESA and the UNDG working mechanisms. Some of the indicators can be used in agencies' strategic plans as is being done by some. The accompanying narrative document explains these priority areas for action from strengthening the RC system to Delivering as One and illustrates the timeframe for implementing the 19 time-bound mandates. The Action Plan is intended to inform the UNDG work plan, which will operationalize the UNDG Strategic Priorities and give direction to the joint efforts of the UNDG at the global and regional levels to facilitate a step change in the impact of UN support at the country level.

28. Debbie Landey, DOCO Director, presented the draft UNDG work plan for 2013-2014, noting that the draft reflected inputs from the UNDG working mechanisms, Regional UNDG Teams and DOCO and had been fully aligned with the QCPR and the QCPR Action Plan. The results framework follows directly from the UNDG Strategic Priorities, mirroring their four substantive priorities and four strategic approaches at the outcome level. For each of the eight outcomes, the UNDG work plan specifies a series of outputs to be delivered by the UNDG working mechanisms, Regional UNDG Teams, and DOCO.

29. The UNDG welcomed the QCPR Action Plan and the UNDG work plan as important instruments to sharpen the results-focus of the UNDG on the basis of a limited set of priorities with clear timelines. It was noted that whatever the UNDG agreed to in these common instruments would also need to be reflected in agency instruments, whereby it was not feasible for agencies to integrate the entire set of indicators.

30. With regard to the QCPR Action Plan, the UNDG suggested further narrowing down and refining the indicators. Concerns were raised, in particular, with regard to the feasibility of the proposed actions for South South cooperation and the capacity of Regional UNDG Teams to conclude MoUs with regional entities. With regard to the UNDG work plan, it was noted that clear timelines would need to be added for each output and that Regional UNDG Teams should adopt harmonized results language, particularly with regard to their responsibilities for the implementation of the SOPs.

31. UNDG members were requested to submit final comments on the draft QCPR Action Plan and the draft UNDG work plan to DOCO in writing by Friday, 17 May 2013. Revised drafts will subsequently be submitted to the UNDG for electronic endorsement. UNDG working mechanisms, Regional UNDG Teams and DOCO will then be requested to refine their work plans at the activity level in line with the approved UNDG work plan.

UNDG follow-up to UN Action Plan on Disaster Risk Reduction

32. The Chair informed the UNDG that the UN Chief Executives Board for Co-ordination (CEB) had endorsed a UN Action Plan on Disaster Risk Reduction at its Spring Session on 5 April. The Action Plan identifies a series of important measures to accelerate system-wide actions to build national and community resilience to disasters. At the global level, a senior leadership group under the leadership of UNISDR has been tasked by the CEB with the oversight of the Action Plan.

33. **It was noted that the UNDG Chair would write to Resident Co-ordinators to inform them of the adoption of the UN Action Plan on Disaster Risk Reduction by the CEB and the support available from the UNDG. The relevant UNDG working mechanisms – the UNDAF Programming Network and the UNDG-ECHA Working Group on Transitions – as well as the Regional UNDG Teams are requested to support country-level implementation of the Action Plan.**