Progress in IFAD’s implementation of the triennial comprehensive policy review
Note to Executive Board Directors

This document is submitted for the information of the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

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### Abbreviations and acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organization of the United Nations</td>
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<td>MIC</td>
<td>middle-income countries</td>
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<td>RIDE</td>
<td>Report on IFAD’s Development Effectiveness</td>
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<td>UNDAF</td>
<td>United Nations Development Assistance Framework</td>
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<td>UNCT</td>
<td>United Nations Country Team</td>
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<td>WFP</td>
<td>World Food Programme</td>
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Progress in IFAD’s implementation of the triennial comprehensive policy review

I. Introduction

1. The Agreement between the United Nations and IFAD dated 15 December 1977, pursuant to article VI 2(a) and (b) governing the exchange of information and documents, calls for the Fund to transmit to the United Nations regular reports on its activities and to furnish upon request any special reports, studies or information.

2. General Assembly resolution 62/208, establishing the triennial comprehensive policy review of operational activities for development of the United Nations system, was adopted by consensus on 19 December 2007. The governing bodies of the funds, programmes and specialized agencies of the United Nations system were invited to take appropriate action for the full implementation of the resolution. The heads of United Nations organizations were also requested to submit an annual progress report to their governing bodies on implementation. This invitation was reiterated by the Economic and Social Council in its resolution 2008/2 of 18 July 2008, which provided further guidance on the content of such annual reports, requesting that they include information on (i) measures taken and envisaged for the implementation of resolution 62/208, (ii) any proposed measures to enhance the organization’s participation in financial, technical and organizational support to the resident coordinator system, and (iii) progress regarding simplification and harmonization.

3. The General Assembly provided additional directives to the United Nations development system concerning operational activities for development in its resolution 63/232 of 19 December 2008, whereby it decided to change the comprehensive policy review from a triennial to a quadrennial cycle and to hold its next comprehensive policy review in 2012. The specialized agencies were encouraged to carry out any changes required to align their planning cycles with the quadrennial comprehensive policy review and to report to the Economic and Social Council on adjustments made. IFAD will review the implications of resolution 63/232 at a later stage.

4. The current note builds and expands upon Executive Board document EB 2008/93/INF.8 on progress in IFAD’s implementation of the 2007 triennial comprehensive policy review. It provides additional background information and highlights areas in which IFAD has made substantial progress towards the implementation of resolution 62/208, focusing in particular on IFAD’s support for the United Nations resident coordinator system and progress regarding simplification and harmonization.

II. Background

5. The General Assembly adopted resolution 62/208 on the triennial comprehensive policy review as a broad policy framework for development cooperation and country-level modalities of the United Nations system. Country ownership and national leadership of the development process are guiding principles, and national efforts are to be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries.

6. Recognizing the critical role of the United Nations development system in supporting developing countries, the resolution focuses on the need to strengthen that system through improved efficiency, effectiveness, coherence and impact of operational activities for development. It also highlights the need for a significant increase in resources and an expansion of its resource base.
III. Measures taken and envisaged by IFAD for the implementation of resolution 62/208

7. Resolution 62/208 establishes key system-wide policy orientations for the United Nations development system in the areas of funding for operations activities, strategic planning and management, capacity development and development effectiveness, and improved functioning of the United Nations development system. Many of IFAD’s own reform processes, especially those linked to the implementation of IFAD’s Action Plan for Improving its Development Effectiveness, coincide with key directives included therein, in particular policies and practices related to national ownership, results-based management, aid effectiveness and gender equality.

A. Management and funding of operational activities

8. Resolution 62/208 emphasized that funding for operational activities for development should focus on long-term development challenges based on national development strategies. Low-income countries, in particular the least developed countries, and middle-income developing countries face significant development challenges and require continued assistance from the United Nations development system. The resolution further stressed the importance for the United Nations development system to improve strategic planning, results-based management, accountability and transparency as integral parts of sound management.

9. IFAD has always provided loans to both low-income countries and middle-income countries (MICs). In 2008, IFAD provided US$490.9 million in financing for 23 programmes and projects in low-income food-deficit countries. Overall, 20 per cent of IFAD loans support operations in MICs. MIC lending is particularly strong in Latin America and the Caribbean, but the overall share of MIC lending compared to total lending is expected to rise within a decade for other regions as well.

10. The Fund has already started to adapt to the evolving needs of MICs by ensuring that lending terms are aligned with those of other international financial institutions, including by adopting the London Interbank Offered Rate (LIBOR) as the institution’s reference rate for loans on ordinary and intermediate terms. Based on the 2008 Report of the Consultation on the Eighth Replenishment of IFAD’s Resources, the Fund will explore other actions to strengthen its collaboration with MICs, including by increasing the efficiency of its operations, building its capacity to provide the kind of programmes requested by these countries, increasing support for South-South cooperation and knowledge sharing, pursuing greater flexibility in lending terms, and streamlining processes for developing country strategies and projects in MICs.

11. The progressive implementation of IFAD’s system of management for development results and its new business model are important steps towards fulfilling the measures called for by resolution 62/208 to improve the management of operational activities. The Annual Report on Results and Impact of IFAD Operations produced by IFAD’s independent Office of Evaluation in 2008 (EB 2008/95/R.7) stated that “it can reasonably be concluded that IFAD’s development effectiveness is improving, and even stronger results can be expected in the future when the reforms of IFAD’s Action Plan for Improving its Development Effectiveness are fully implemented” (paragraph 8).

12. The establishment in 2008 of the quality assurance process as the final step in IFAD’s quality enhancement system is an important factor in strengthening the Fund’s development effectiveness. In addition to assuring the quality-at-entry of individual projects, the process has already begun to provide valuable feedback for improving overall programme design. Efforts to better align human resources
with organizational goals and priorities intensified during 2008 with the establishment of a Human Resources Strategic Management Committee, chaired by the President; the development of a strategic workforce plan; new initiatives for staff training; and the approval of a voluntary separation programme.

13. Ongoing progress toward improved accountability for development results was reflected in the second annual Report on IFAD’s Development Effectiveness (RIDE) (EB 2008/95/R.8/Rev.1). The RIDE now serves as the primary vehicle for accountability and reporting by IFAD Management to the governing bodies, having fully incorporated the analysis previously contained in the Portfolio Performance Report. The RIDE also reports on the delivery of major reform initiatives – such as the Action Plan – and their contribution to improved results, and provides a comprehensive account of performance against the indicators in IFAD’s Results Measurement Framework.

B. Gender equality and women’s empowerment

14. The General Assembly, in resolution 62/208, emphasized the importance of gender mainstreaming, gender equality and the empowerment of women, and encouraged the governing bodies of United Nations organizations to ensure that gender perspectives are integrated in all aspects of policies, strategies and operational activities. The United Nations development system was called upon to improve its institutional accountability mechanisms for gender equality; share good practices, tools and methodologies; and continue efforts to achieve gender balance in appointments.

15. IFAD’s most important accomplishment in this area during the past year was the adoption in July of a Framework for Gender Mainstreaming in Operations. The Framework builds gender perspectives into IFAD’s business processes and operations. It outlines guiding principles for mainstreaming gender in IFAD’s operations and defines the key features of gender-sensitive design and implementation in projects and programmes. It also defines the key operational objectives to mainstream gender concerns into the project and programme cycle, as well as outlining responsibilities for implementation.

16. The agreements reached in 2008 in connection with IFAD’s Eighth Replenishment include numerous measures to further strengthen the Fund’s performance in gender mainstreaming and women’s equality. These include using core resources to build the capacity of the IFAD workforce to better analyse the causes of gender inequalities and address those issues in programmes and projects, ensure greater participation by gender specialists or representatives of women’s organizations in the design of country strategic opportunities programmes and of projects, and strengthen IFAD’s capacity to gather sex-disaggregated data at project level and report on gender performance through the RIDE. The Fund also agreed to review state-of-the-art indicators and consult with partners to identify those indicators for mainstreaming gender that are most useful and appropriate for inclusion in the Results Measurement Framework for the Eighth Replenishment period.

17. Regarding the sharing of good practices on gender equality and women’s empowerment, IFAD collaborated with the Food and Agriculture Organization of the United Nations (FAO) and the World Bank to develop the Gender in Agriculture Sourcebook. The sourcebook is an authoritative compilation of good practices and innovative activities to integrate gender into project and programme design, and provides an up-to-date understanding of gender issues in agriculture, ranging from water, land and markets to natural resource management, infrastructure and governance. Since its launch in October 2008, the three agencies have promoted the sourcebook in a series of knowledge-sharing events to make its findings accessible to a broader audience, most recently co-sponsoring an International Expert Consultation on Gender in Agriculture at the World Bank. The three
agencies are currently elaborating proposals to put the sourcebook recommendations into action.

18. Concerning gender balance in appointments, IFAD has recruited proportionally more women than men over the last five years, with the number of women professionals increasing by 54 per cent and that of men by 30 per cent. The gender balance has remained about the same for general service staff. Women professionals currently represent 45 per cent of the total compared to 41 per cent in 2003, by which measure IFAD ranks in fifth place in comparison with other United Nations agencies. The percentage of women in lower professional grades is greater than that in higher grades; women account for 25 per cent of P5 staff.

C. Transition from relief to development

19. The United Nations development system is requested, in responding to countries in transition from relief to development, to tailor support to country-specific needs and to develop approaches for early recovery and to assist in restoring or developing national capacity.

20. IFAD is active in 26 fragile states, with commitments accounting for US$848 million of IFAD’s US$3.7 billion in total commitments. The approval in 2006 of the IFAD Policy on Crisis Prevention and Recovery represents notable progress toward implementing resolution 62/208. To meet the special needs of fragile and post-conflict countries, the policy provides for a revision of IFAD’s performance-based allocation system to allow eligible countries in crisis to access allocations of between 30 and 100 per cent more than those for which they would otherwise be eligible. In fragile states, IFAD seeks to cooperate and coordinate with agencies involved in humanitarian assistance by supporting complementary initiatives that help bridge the gap between emergency relief and the restoration of the development process. Recognizing the political-security-development nexus, IFAD will work with other donors to assist in building state capacity and enhancing accountability and other governance-related issues.

21. IFAD is currently working to improve its performance in fragile states by (i) developing a flexible approach to programme and project design, with a strong focus on building the capacity of community and government institutions; (ii) simplifying project objectives and activities, to take account of the limited capacity of many fragile states to manage and implement development projects; (iii) strengthening its partnerships with other organizations, including through cofinancing and harmonizing procedures; and (iv) strengthening its capacity for analysis to underpin programme and project design and implementation, including through an expanded IFAD country presence and direct supervision.

D. Coherence, effectiveness and relevance

22. Resolution 62/208 stresses the potential of the United Nations Development Assistance Framework (UNDAF) as a collective, coherent and integrated programming and monitoring framework for the operations of the United Nations system at the country level that affords increased opportunities for joint initiatives, including joint programming. The United Nations system is urged to fully utilize such opportunities in the interest of enhancing aid efficiency and effectiveness.

23. IFAD’s participation in the One United Nations pilot initiative has provided a very focused process for engaging in the development or revision of UNDAFs in the pilot countries. Launched in 2007, the pilot programme aims at improving the effectiveness and responsiveness of the United Nations development operations. IFAD has been an active partner in the programme from the outset in all eight of the participating countries (Albania, Cape Verde, Mozambique, Pakistan, Rwanda, the United Republic of Tanzania, Uruguay and Viet Nam) and continues to give its full support.
24. Participation in the One United Nations pilot initiative has afforded IFAD greater interaction with a wider range of United Nations agencies and, as a result, greater visibility in the pilot countries. The One United Nations initiative has been especially effective in facilitating greater engagement of non-resident agencies, such as IFAD, in the United Nations Country Team (UNCT). In Mozambique and Pakistan, the process has led to expanded engagement with FAO and the World Food Programme (WFP). In Albania, it has led to the involvement by United Nations agencies in planning an IFAD-financed project. In the United Republic of Tanzania, IFAD has served as a liaison between the UNCT and the wider community of development partners in the area of environment and climate change.

25. At the same time, the process has been very demanding of time and human resources, often to an extent that exceeds IFAD’s capacity. This has required difficult trade-offs in relation to ongoing IFAD programme activities. IFAD staff in Viet Nam have chosen strategically to focus their efforts on planning activities, including the development of the common country assessment and the UNDAF.

26. IFAD’s programme collaboration in One United Nations pilot countries includes participation in the development or revision of UNDAFs, extensive consultation with UNCT members in the development or revision of IFAD country strategies, incorporation of IFAD-supported activities in One Programme frameworks, exploration of joint engagement in policy dialogue, and joint programming. Joint programming has focused primarily on economic development, with key partners including FAO, WFP, the International Labour Organization (ILO), the United Nations Industrial Development Organization (UNIDO), and the United Nations Capital Development Fund (UNCDF). The increased interaction with United Nations agencies engaged in activities of particular relevance to IFAD’s operations and participation in ongoing thematic discussions have also increased the potential for expanded programmatic collaboration in the future.

27. In Rwanda, IFAD is collaborating with WFP in two IFAD-financed projects, with WFP providing food-for-work support for soil protection activities. New synergies are also being cultivated between the small- and microenterprise projects supported by IFAD and UNCDF in two districts in Rwanda, and between IFAD and FAO in supporting irrigation development. Other synergies between IFAD and UNIDO-supported projects for agricultural value addition and processing are also being explored. In Mozambique, IFAD is participating in the implementation of a joint programme with FAO and WFP to build commodity value chains and market linkages for farmers’ associations. This is one of 11 joint programmes being financed through the One Fund in Mozambique.

IV. Proposed measures to enhance IFAD’s participation in financial, technical and organizational support to the resident coordinator system

28. The goal of the resident coordinator system is to improve the efficiency and effectiveness of operational activities at the country level by bringing together the different United Nations agencies operating in the country. Resident coordinators lead United Nations country teams in more than 130 countries and are the designated representatives of the Secretary-General for development operations. Resolution 62/208 affirms that the resident coordinator system is owned by the United Nations development system as a whole and that its functioning should be participatory, collegial and accountable. The United Nations development system is urged to provide financial, technical and organizational support for the resident coordinator system.

29. IFAD contributes to the resident coordinator system through its country presence programme and by helping to integrate agriculture and rural development into the
UNDAF in collaboration with FAO and WFP. Its expanding country presence enhances opportunities to coordinate and build partnerships with other United Nations agencies at the country level and has also contributed to knowledge sharing, mainly through inter-project exchanges, but in some cases by promoting South-South exchanges. In 2008, IFAD’s country presence programme comprised 70 projects in 19 countries, which represented about 30 per cent of IFAD’s current portfolio by number and 36 per cent by value. In September 2008, the United Nations Development Programme (UNDP) and IFAD signed a framework agreement for country presence. The agreement covers the provision of goods and services by UNDP to IFAD country offices. A parallel agreement with FAO is being developed. By the end of 2008, IFAD had entered into nine host agency agreements with UNDP and two with WFP.

30. At the country level, IFAD also works closely with FAO and WFP in support of work by the resident coordinators and the United Nations country team. The three Rome-based agencies collaborate in the establishment of country-level food security theme groups, which combine the agencies’ respective technical and outreach capabilities to strengthen their contribution to joint programming initiatives. These theme groups engage other United Nations agencies, national institutions, civil society organizations and other development partners. The theme groups support countries’ development efforts in the areas of food security, agriculture and rural development, and provide the basis for intensified United Nations-wide action towards halving the proportion of hungry people in the world by 2015.

31. IFAD’s interaction with resident coordinators is particularly pronounced in the eight One United Nations pilot countries. Of particular importance for IFAD has been the resident coordinators’ investment in understanding the role and character of each United Nations agency working in the country. With such an understanding, the resident coordinator is able to facilitate the functioning of an inclusive UNCT that takes into account the distinctive institutional approaches, interests and constraints of all agencies.

V. Progress regarding simplification and harmonization

32. The executive boards and governing bodies of United Nations funds, programmes and specialized agencies have been requested to assess progress achieved regarding simplification and harmonization at the global, regional and country levels, and United Nations system organizations are called upon to continue to apply harmonization and simplification measures to reduce costs and administrative burdens and to enhance efficiency, accountability and transparency.

33. In 2008, IFAD continued to work with FAO and WFP to harmonize and simplify rules and procedures with a view to reducing the administrative and procedural burden on the organizations and national partners. IFAD also contributed to the work of the United Nations High-Level Committee on Management and worked with other United Nations agencies, international financial institutions and partner countries on implementing the commitments of the Paris Declaration on Aid Effectiveness. The sections below discuss each of these activities in turn.

A. Collaboration among Rome-based United Nations agencies

34. In 2007, FAO, IFAD and WFP undertook a joint mapping exercise to analyse existing collaboration and identify areas for greater and more systematic collaboration in the future. Considerable progress has been made with regard to collaboration on administrative processes, with the three organizations increasing cooperation and harmonization of business practices. Joint initiatives have been growing in the areas of procurement, human resources, finance, budget, treasury, information technology, security, conference and protocol services and
knowledge-sharing services. In 2008, an inter-institution coordination committee was established to review, approve and prioritize the overall programme of collaboration on administration and business practices. The three organizations agreed to further pursue greater collaboration in 2009 in the areas of travel services, payroll processing and human resource reform.

B. High-Level Committee on Management

35. IFAD also contributed to the implementation of resolution 62/208 through its active engagement in the work of the High-Level Committee on Management. The High-Level Committee – a subsidiary body of the United Nations System Chief Executives Board for Coordination – focused on security issues and harmonization of business practices in the United Nations system. As an agency of the United Nations and an international financial institution, IFAD led an initiative exploring the feasibility of common treasury services, together with the World Health Organization (WHO). The work is expected to be completed by the end of 2009.

36. In addition, IFAD is a member of the newly established reference group for the Senior Management Leadership Programme. IFAD procurement officers are actively involved in improving and developing a common United Nations procurement portal that brings together United Nations procurement staff and the supplier community. Furthermore, IFAD staff contributed to the work of the High-Level Committee on Management regarding security, procurement, human resources, legal issues, finance and budget, and information and communication technology.

C. Implementation of Paris Declaration commitments

37. As a signatory to the Paris Declaration of Aid Effectiveness, IFAD is committed to contributing to improved overall aid effectiveness at country level. According to the Organisation for Economic Co-operation and Development/Development Assistance Committee 2008 Survey on Monitoring the Paris Declaration, IFAD is performing well on most of the Declaration’s partnership commitments. It receives particularly high scores for strengthening capacity by coordinated support, for making use of countries’ public financial management and procurement systems, and for carrying out joint missions and joint country analyses.

38. IFAD participated in the Third High Level Forum on Aid Effectiveness, and through the partnership with the Global Donor Platform for Rural Development supported the initiative to include the agriculture sector in the agendas of both the parallel civil society organization meeting and the High Level Forum itself. Furthermore, it supported the strong participation of civil society organizations in consultations leading up to, as well as during, the High Level Forum.

39. The deliberations of the High Level Forum brought into focus significant challenges in applying the Paris Declaration principles in agricultural development. The key role of the private sector in agriculture, for example, makes the principles of country ownership and mutual accountability more complex. These challenges point to the need to strengthen efforts to stimulate private-sector investment and foster public-private partnerships as vital to achieve greater effectiveness of aid for agricultural development.
Resolution adopted by the General Assembly

[on the report of the Second Committee (A/62/424/Add.2)]

62/208. Triennial comprehensive policy review of operational activities for development of the United Nations system

The General Assembly,


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

Reaffirming also the need to strengthen the United Nations with a view to enhancing its authority and efficiency, as well as its capacity to address effectively, and in accordance with the purposes and principles of the Charter of the United Nations, the full range of development challenges of our time,

Recalling the commitment of Member States to enhance the relevance, effectiveness, efficiency, accountability and credibility of the United Nations system as a shared goal and interest,

Recalling also the need to provide the United Nations system with adequate and timely resources with a view to enabling it to carry out its mandates,

Reaffirming the need to ensure, in a coherent and timely manner, the full implementation of all the elements of its resolutions 44/211, 47/199, 50/120, 53/192, 56/201 and 59/250, and the parts of its resolution 52/12 B, relevant to operational activities for development, which should be considered as an integral part of the present resolution,

Recalling the role of the Economic and Social Council in providing coordination and guidance to the United Nations system to ensure that those policy orientations are implemented on a system-wide basis in accordance with the present resolution and General Assembly resolutions 48/162 of 20 December 1993, 50/227 of 24 May 1996, 57/270 B of 23 June 2003 and 61/16 of 20 November 2006,

Recalling also the outcomes of the major United Nations conferences and summits in the economic, social and related fields, such as the United Nations
Millennium Declaration of 2000, the Monterrey Consensus of the International Conference on Financing for Development of 2002, the Plan of Implementation of the World Summit on Sustainable Development ("Johannesburg Plan of Implementation") of 2002, the 2005 World Summit Outcome, and its resolution 60/285 of 30 June 2006 on follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and other internationally agreed development goals,

Recognizing the vital role played by these conferences and summits in shaping a broad development vision and in identifying commonly agreed objectives, which have contributed to our understanding of and actions to overcome the challenges to improving human life in different parts of the world,

Reaffirming that each country must take primary responsibility for its own development and that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development, and recognizing that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty,

Recognizing that the internationally agreed development goals, including the Millennium Development Goals, offer a framework for planning, reviewing and assessing the activities of the United Nations for development,

Recognizing also that development, peace and security and human rights are interlinked and mutually reinforcing, and reaffirming that development is a central goal in itself and that it constitutes a key element of the overarching framework of the United Nations operational activities for development,

Recognizing further that the private sector and civil society, including non-governmental organizations, can positively contribute to the achievement of the internationally agreed development goals, including the Millennium Development Goals, and encouraging their further contribution in supporting national development efforts in accordance with national plans and priorities,

Recognizing that new technologies, including information and communications technologies, present an opportunity to accelerate development, especially in developing countries, and noting that access to these technologies remains uneven and that a digital divide still prevails,

Reiterating the importance of the development of national capacities to eradicate poverty and pursue sustained and equitable economic growth and sustainable development as a central goal of the development cooperation of the United Nations system,

Recognizing that current trends in development assistance, including sector-wide approaches and budget support, pose challenges to the United Nations, and stressing that the United Nations can play a role in assisting developing countries to manage these aid modalities,

1 See resolution 55/2.
4 See resolution 60/1.
Recognizing also the urgent and specific needs of the least developed countries, landlocked developing countries and small island developing States,

Recognizing further the special needs of Africa,

I

Introduction

1. Takes note with appreciation of the reports of the Secretary-General on the triennial comprehensive policy review of operational activities for development of the United Nations system and on the comprehensive statistical analysis of the financing of operational activities for development of the United Nations system.  

2. Notes the advances that the United Nations development system is making in the implementation of General Assembly resolution 59/250, and calls upon the United Nations system to accelerate its full implementation, taking into account the provisions of the present resolution;

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

4. Underlines that there is no “one size fits all” approach to development and that development assistance by the United Nations development system should be able to respond to the varying development needs of programme countries and should be in alignment with their national development plans and strategies in accordance with its mandates;

5. Recognizes that the strength of the United Nations operational system lies in its legitimacy, at the country level, as a neutral, objective and trusted partner for both programme countries and donor countries;

6. Stresses that national Governments have the primary responsibility for their countries’ development and for coordinating, on the basis of national strategies and priorities, all types of external assistance, including that provided by multilateral organizations, in order to effectively integrate such assistance into their development processes;

7. Emphasizes that the operational activities for development of the United Nations system should be valued and assessed on the basis of their impact on the programme countries as contributions to enhance their capacity to pursue poverty eradication, sustained economic growth and sustainable development;

8. Decides that, with the agreement and consent of the host country, the United Nations development system should assist national Governments in creating an enabling environment in which the links and cooperation between national Governments, the United Nations development system, civil society, national non-governmental organizations and the private sector that are involved in the
development process are strengthened, including, as appropriate, during the United Nations Development Assistance Framework preparation process, with a view to seeking new and innovative solutions to development problems in accordance with national policies and priorities;

9. Stresses that the purpose of reform is to make the United Nations development system more efficient and effective in its support to developing countries to achieve the internationally agreed development goals, on the basis of their national development strategies, and stresses also that reform efforts should enhance organizational efficiency and achieve concrete development results;

10. Requests the United Nations development system to continue its efforts to respond to national development plans, policies and priorities, which constitute the only viable frame of reference for programming operational activities at the country level, and to pursue full integration of operational activities for development at the country level with national planning and programming, under the leadership of national Governments, at all stages of the process, while ensuring the full involvement of all relevant stakeholders at the national level;

11. Recognizes that strengthening the role and capacity of the United Nations development system to assist countries in achieving their development goals requires continuing improvement in its effectiveness, efficiency, coherence and impact, along with a significant increase in resources and an expansion of its resource base on a continuous, more predictable and assured basis;

12. Encourages the Secretary-General, through the United Nations System Chief Executives Board for Coordination and the United Nations Development Group, as appropriate, to make efforts to enhance the coherence, effectiveness and efficiency of the United Nations development system;

13. Recognizes that the individual United Nations funds, programmes and agencies have specific experience and expertise, derived from, and in line with, their mandates and strategic plans, and stresses, in this regard, that improvement of coordination and coherence at the country level should be undertaken in a manner that recognizes the respective mandates and roles and enhances the effective utilization of resources and the unique expertise of all United Nations funds, programmes and specialized agencies;

14. Urges all Member States to pursue full implementation of the internationally agreed development goals, including the Millennium Development Goals, and recognizes the positive contribution that these goals can make in providing direction to the operational activities for development of the United Nations system in accordance with national development efforts and priorities;

15. Recognizes that the transition from relief to development represents a complex challenge as regards the universal achievement of the Millennium Development Goals;

16. Also recognizes the importance of consistent, reliable and comprehensive statistical data and analysis about the United Nations operational activities in order to provide an understanding of evolutions and trends contributing to sound policy decisions;
II

Funding for operational activities of the United Nations development system

17. Acknowledges efforts by developed countries to increase resources for development, including commitments by some developed countries to increase official development assistance, notes with concern the overall decline in official development assistance in 2006, calls for the fulfilment of all official development assistance commitments, including the commitments by many developed countries to achieve the target of 0.7 per cent of gross national income for official development assistance by 2015 and to reach at least 0.5 per cent of gross national income for official development assistance by 2010, as well as the target of 0.15 per cent to 0.20 per cent for least developed countries, and urges those developed countries that have not yet done so to make concrete efforts in this regard in accordance with their commitments;

18. Stresses that core resources, because of their united nature, continue to be the bedrock of the operational activities for development of the United Nations system, and in this regard notes with concern that the share of core contributions to United Nations funds and programmes has declined in recent years, and recognizes the need for organizations to address, on a continuous basis, the imbalance between core and non-core resources;

19. Urges donor countries and other countries in a position to do so to substantially increase their voluntary contributions to the core/regular budgets of the United Nations development system, in particular its funds, programmes and specialized agencies, and to contribute on a multi-year basis, in a sustained and predictable manner;

20. Notes that non-core resources represent an important supplement to the regular resource base of the United Nations development system to support operational activities for development, thus contributing to an increase in total 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;

21. Also notes, in this regard, 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;

22. Recognizes the establishment of thematic trust funds, multi-donor trust funds and other voluntary non-earmarked funding mechanisms linked to organization-specific funding frameworks and strategies established by the respective governing bodies as funding modalities complementary to regular budgets;

23. Requests the United Nations funds and programmes, and urges the specialized agencies to avoid using core/regular resources to cover costs related to the management of extrabudgetary funds and their programme activities;

24. Stresses that the mobilization and management of extrabudgetary resources should not adversely impact the quality of the delivery of the programme of work of the funds, programmes and specialized agencies of the United Nations development system;

25. Notes with concern that, based on assessed contributions, the regular budgets of many specialized agencies have been stagnating, and invites countries to
consider increasing their contributions to the budgets of the specialized agencies in order to enable the United Nations development system to respond in a more comprehensive and effective manner to the demands of the United Nations development agenda;

26. Recognizes the urgent and specific needs of low-income countries, in particular the least developed countries, and stresses the need to continue to assist those countries, including through the existing institutions and funding mechanisms of the United Nations development system;

27. Also recognises that middle-income developing countries still face significant challenges in the area of poverty eradication and that efforts to address those challenges should be supported in order to ensure that achievements made to date are sustained, including through support to the effective development of comprehensive cooperation policies;

28. Requests the Secretary-General, making use of existing capacities within the Secretariat and, if necessary, voluntary contributions:

(a) To continue to broaden and improve the coverage, timeliness, reliability, quality and comparability of system-wide financial data, definitions and classifications for the financial reporting of operational activities for development of the United Nations system, in a coherent way;

(b) To build a comprehensive, sustainable and consistent financial data and reporting system for the operational activities for development of all the relevant organizations and entities of the United Nations system;

(c) To include, in this regard, in the report to be submitted to the Economic and Social Council in 2008 a concise assessment of progress made and a description of planned activities;

(d) To invite Member States to contribute to the support of the work mentioned above;

29. Also requests the Secretary-General to undertake, in full consultation with Member States, measures:

(a) To promote an adequate and expanding base of development assistance from the United Nations system, taking into account, inter alia, the development priorities of programme countries;

(b) To promote the continuation of the upward trend in real contributions to operational activities for development to identify obstacles to the achievement of that goal and to make appropriate recommendations in this regard;

(c) To promote the predictability and the multi-year pledging of funding for operational activities for development;

(d) To promote an appropriate balance between core and non-core contributions;

30. Further requests the Secretary-General to submit a report, pursuant to paragraph 29 above, to the sixty-third session of the General Assembly;

31. Calls upon developed countries to ensure that information on their efforts to increase the volume of official development assistance is made available to the relevant United Nations intergovernmental bodies;
32. Emphasizes that increasing financial contributions to the United Nations development system is key to achieving the internationally agreed development goals, including 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 to eradicate poverty and achieve sustained economic growth and sustainable development through operational activities for development and the overall resourcing of the United Nations development system;

33. Stresses the importance for the United Nations development system to improve strategic planning, while noting that results-based management, accountability and transparency of the United Nations development system are an integral part of sound management;

34. Emphasizes that funding of operational activities for development of the United Nations system should focus on long-term development challenges based on national development strategies;

III

Contribution of United Nations operational activities to national capacity development and development effectiveness

A. Capacity-building and development

35. Recognizes that capacity development and ownership of national development strategies are essential for the achievement of the internationally agreed development goals, including the Millennium Development Goals, and calls upon United Nations organizations to provide further support to the efforts of developing countries to establish and/or maintain effective national institutions and to support the implementation and, as necessary, the devising of national strategies for capacity-building;

36. Stresses that capacity development is a core function of the United Nations development system, and in this regard requests the Secretary-General, in consultation with Member States, to take measures to ensure a coherent and coordinated approach by the United Nations development system in its support to capacity development efforts of programme countries;

37. Calls upon the United Nations development system to further support capacity-building and capacity development of developing countries, upon their request, to effectively coordinate and evaluate the impact of external development assistance in line with national development plans and priorities;

38. Requests the United Nations development system to support the development of specific frameworks aimed at enabling programme countries, upon their request, to design, monitor and evaluate results in the development of their capacities to achieve national development goals and strategies;

39. Calls upon United Nations organizations to adopt measures that ensure sustainability in capacity-building activities, and 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 by focusing on national structures and avoiding, wherever possible, the practice of establishing parallel implementation units outside of national and local institutions;
40. *Calls upon* the United Nations development system to continue to strengthen national execution bearing in mind the importance of building national capacity, simplifying procedures and aligning them with national procedures;

41. *Requests* the United Nations development system to strengthen its procurement systems, guided by best practices, and to progressively rely on national systems for procurement;

42. *Also requests* the United Nations development system, in consultation with Member States, to create and report on a specific, measurable, achievable and time-bound results framework to measure capacity-building initiatives and activities of the United Nations development system in developing countries;

43. *Encourages* the funds, programmes and specialized agencies of the United Nations development system to intensify collaboration at the country and regional levels to achieve more effective use of their expertise, resources and actions towards strengthening national capacities, in accordance with national priorities and development plans, including through the common country assessment, when required, and the United Nations Development Assistance Framework;

44. *Welcomes* efforts and initiatives to enhance the quality of aid and to increase its impact, including the Paris Declaration on Aid Effectiveness, and calls for concrete, effective and timely action in implementing all agreed commitments on aid effectiveness, with clear monitoring and deadlines;

45. *Stresses* that programme countries, in order to meet the internationally agreed development goals, including those contained in the Millennium Declaration, should have access to new and emerging technologies, which requires technology transfer, technical cooperation and the building and nurturing of scientific and technological capacity to participate in the development and adaptation of these technologies to local conditions, and in this regard urges Member States and the United Nations system to support the promotion and transfer of new and emerging technologies to programme countries;

46. *Requests* the United Nations development system to strengthen its role in facilitating access of developing countries to new and emerging technologies;

47. *Urges* all organizations of the United Nations development system to intensify inter-agency sharing of information at the system-wide level on good practices and experiences gained, results achieved, benchmarks and indicators and monitoring and evaluation criteria concerning their capacity-building and capacity development activities;

**B. South-South cooperation and development of national capacities**

48. *Reaffirms* the increased importance of South-South cooperation, and in this regard encourages the funds, programmes, specialized agencies and other entities of the United Nations system involved to mainstream support to South-South cooperation and triangular cooperation to help developing countries, at their request and with their ownership and leadership, to develop capacities to maximize the benefits and impact of South-South cooperation and triangular cooperation in order to achieve their national goals, with special emphasis on internationally agreed development goals, including the Millennium Development Goals;

49. *Calls upon* donors and Member States in a position to do so to strengthen their support for South-South cooperation, including triangular cooperation,
especially by mobilizing financial resources on a sustainable basis and by providing technical assistance;

50. **Invites** all Member States and the United Nations development system to actively participate in the High-level Committee on South-South Cooperation;

51. **Requests** the United Nations development system to intensify its information-sharing and reporting on support and results achieved through South-South cooperation, including triangular cooperation;

52. **Stresses** that further efforts are required to better understand the approaches and the potential of South-South cooperation to enhance development effectiveness, including through national capacity development;

53. **Also stresses** the importance of strengthening the Special Unit for South-South Cooperation within the United Nations Development Programme, and calls upon the United Nations development system to provide the Special Unit with further support to enable it to fulfil its mandate;

54. **Welcomes** the fact that the Special Unit for South-South Cooperation continues to facilitate the wide diffusion of and access to information relating to experiences, best practices and potential partners in South-South cooperation on the Web of Information for Development, its electronic databank;

55. **Invites** Member States and the United Nations development system to celebrate the United Nations Day for South-South Cooperation in an appropriate manner;

C. **Gender equality and women’s empowerment**

56. **Reiterates its call upon** the organizations of the United Nations development system, within their organizational mandates, to mainstream a gender perspective and to pursue gender equality and the empowerment of women in their country programmes, planning instruments and sector-wide programmes and to articulate specific country-level goals and targets in this field in accordance with national development strategies;

57. **Encourages** the governing bodies of United Nations agencies, funds and programmes to ensure that gender perspectives are integrated into all aspects of their monitoring functions in relation to policies and strategies, medium-term plans, multi-year funding frameworks and operational activities, including those relating to the implementation of the Millennium Declaration and the outcomes of major United Nations conferences and summits in the economic and social fields;

58. **Takes note** of the adoption by the United Nations System Chief Executives Board for Coordination of the United Nations system-wide policy on gender equality and the empowerment of women and strategy on gender mainstreaming,¹ and the efforts made by the Inter-Agency Network on Women and Gender Equality;

59. **Calls upon** the United Nations development system to consider the role of men and boys in gender mainstreaming policies;

60. **Requests** the United Nations development system to further enhance the effectiveness of gender specialist resources, gender focal points and gender theme

groups, inter alia, by establishing clear mandates, ensuring adequate training, access to information and to adequate and stable resources and by increasing the support and participation of senior staff:

61. *Calls upon* the organizations of the United Nations development system, within their organizational mandates, to further improve their institutional accountability mechanisms and to include intergovernmentally agreed gender equality results and gender-sensitive indicators in their strategic frameworks;

62. *Calls upon* the United Nations development system to further improve qualitative and quantitative reporting on gender equality, including gender disaggregated data;

63. *Requests* the Secretary-General to ensure that the annual report of resident coordinators includes adequate and concise information on progress on the above;

64. *Calls upon* the United Nations development system to avail itself of the technical experience of the United Nations Development Fund for Women on gender issues;

65. *Urges* the organizations of the United Nations development system, in accordance with their respective mandates, to take a coherent and coordinated approach in their work on gender-related issues and to share good practices, tools and methodologies through appropriate means;

66. *Calls upon* the organizations of the United Nations development system to continue efforts to achieve gender balance in appointments within the United Nations system at the central, regional and country levels for positions that affect operational activities for development, including appointments of resident coordinators and other high-level posts, with due regard to representation of women from programme countries, in particular developing countries, and keeping in mind the principle of equitable geographic representation;

D. Transition from relief to development

67. *Stresses* the need for transitional activities to be undertaken under national ownership, and requests the United Nations development system to contribute in this regard to the development of national capacities at all levels to manage the transition process;

68. *Recognizes* that the United Nations development system has a vital role to play in situations of transition from relief to development;

69. *Requests* the United Nations development system, upon the request of affected countries, to respond to countries affected by disasters or conflicts in transition from relief to development in support of national priorities, while recognizing the differences in these situations;

70. *Also requests* the United Nations development system, in responding to countries in transition from relief to development, to tailor support to country-specific needs and to develop approaches in order to effectively provide support for early recovery, in accordance with national strategies, policies and requirements, while assisting in restoring or developing national capacity;

71. *Requests* the organizations of the United Nations development system to strengthen interdepartmental and inter-agency coordination in order to ensure an integrated, coherent and coordinated approach to assistance at the country level,
which takes account of the complexity of challenges that countries in those circumstances face and the country-specific character of those challenges;

72. Also requests the organizations of the United Nations development system to support, at the request of national Governments of countries in transition from relief to development, national capacity-building efforts and to report on their initiatives and activities in annual reporting to their respective governing bodies;

73. Encourages the United Nations system and the Bretton Woods institutions to continue their efforts to improve coordination with regard to the transition from relief to development, including, where relevant, the development of joint responses for post-disaster and post-conflict need assessments, programme planning, implementation and monitoring, including funding mechanisms, to deliver more effective support and to lower transaction costs for countries in the transition from relief to development;

74. Requests the United Nations development system to take measures, in line with guidance provided by Member States, that further strengthen the coherence, relevance, effectiveness, efficiency and timeliness of operational activities of the United Nations development system in countries in transition from relief to development;

75. Notes, in this regard, the need for the United Nations development system to consider ways to improve the effectiveness of its resource mobilization for transition from relief to development;

76. Recognizes, in this regard, the important role that the effective and responsive resident coordinator/humanitarian coordinator systems can play in situations of transition from relief to development;

77. Calls upon 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 transition phase from relief to development and to make that information available to the Member State concerned;

78. Requests the United Nations development system to build its support capacity for early recovery in situations from relief to development, while noting the role that the United Nations Development Programme can play in this regard;

79. Recognizes that the exchange of expertise and experiences among countries of the South enables countries in situations of transition from relief to development to benefit from the experiences of other developing countries, and encourages the further development of South-South cooperation modalities, including triangular cooperation modalities, in this regard, while recognizing the need to adapt experiences to national contexts;

80. Invites the United Nations development system to take into account in its assistance to countries emerging from conflict that are on the agenda of the Peacebuilding Commission, the advisory role that the Commission can play in relation to peacebuilding and recovery strategies, with a view to helping countries lay the foundation for their economic and social recovery and development and ensuring national ownership of the peacebuilding process;

81. Urges United Nations agencies and the donor community, in coordination with the national authorities, to begin planning the transition to development and taking measures supportive of that transition, such as institutional and capacity-building measures, from the beginning of the relief phase;
82. **Urges** all donors and countries in a position to do so to consider more coordinated and flexible approaches to the funding of operational activities for development in situations of transition from relief to development, making use of multiple resource mobilization instruments, and stresses that contributions to humanitarian assistance should not be provided at the expense of development assistance and that sufficient resources for humanitarian assistance should be made available by the international community:

83. **Stresses** the need for adequate, predictable and timely funding of operational activities for development in countries in situations from relief to development, and calls upon donors and countries in a position to do so to provide timely, predictable and sustained financial contributions for the operational activities of the United Nations system for early recovery and long-term development for countries in transition from relief to development;

84. **Requests** the resident coordinator system and the United Nations country teams, at the request of national Governments and in coordination with them, to promote the inclusion of prevention strategies in national development plans, bearing in mind the importance of national ownership and capacity-building at all levels;

85. **Encourages** Member States and relevant United Nations organizations to integrate disaster risk reduction into their respective activities, including measures aimed at restoring and improving services and infrastructure as part of the early recovery and transition phase;

IV

**Improved functioning of the United Nations development system**

A. **Coherence, effectiveness and relevance**

86. **Underscores** that the ownership, leadership and full participation of national authorities in the preparation and development of all planning and programming documents of the United Nations development system, including the common country assessment and the United Nations Development Assistance Framework, are key to guaranteeing that they respond to the national development plans and strategies, and requests the United Nations development system to use the Framework and its results matrix, where applicable and with the agreement of the programme country, as the common programming tool for country-level contributions of the funds and programmes towards the achievement of the internationally agreed development goals, including the Millennium Development Goals, to be fully endorsed and countersigned by the national authorities;

87. **Recalls** the potential of the United Nations Development Assistance Framework and its results matrix as the collective, coherent and integrated programming and monitoring framework for the operations of the United Nations development system at the country level, bringing increased opportunities for joint initiatives, including joint programming, and urges the United Nations development system to fully utilize such opportunities in the interest of enhancing aid efficiency and aid effectiveness;

88. **Emphasizes**, in this regard, that planning and programming frameworks of operational activities for development of the United Nations system, including the United Nations Development Assistance Framework, need to be fully aligned with national development planning cycles, whenever possible, and that they should make use of and strengthen national capacities and mechanisms;
89. Underscores the fact that the resident coordinator system is owned by the United Nations development system as a whole, and that its functioning should be participatory, collegial and accountable;

90. Recognizes the central role of resident coordinators in making possible the coordination of United Nations operational activities for development at the country level to improve the effectiveness of their response to the national development priorities of programme countries, including through appropriate resources and accountability;

91. Reaffirms that the resident coordinator system, within the framework of national ownership, has a key role to play in the effective and efficient functioning of the United Nations system at the country level, including 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;

92. Urges the United Nations development system to provide further financial, technical and organizational support for the resident coordinator system, and requests the Secretary-General, in consultation with the members of the United Nations Development Group, to ensure that resident coordinators have the necessary resources to fulfil their role effectively;

93. Notes that coordination activities, while beneficial, represent transaction costs that are borne by both programme countries and the organizations of the United Nations system, and requests the Secretary-General to report on an annual basis to the Economic and Social Council at its substantive session on the functioning of the resident coordinator system, including costs and benefits;

94. Encourages efforts by the United Nations development system to improve the selection and training process of resident coordinators, and requests the Secretary-General to report on this subject to the Economic and Social Council at its substantive session in 2009;

95. Also encourages the use of advanced information and communications technologies, including knowledge management, that will facilitate the contribution of United Nations funds, programmes and specialized agencies, including non-resident agencies, to the United Nations Development Assistance Framework and other planning frameworks and mechanisms, as well as overall information-sharing;

96. Underscores that the resident coordinator, supported by the United Nations country team, should report to national authorities on progress made against results agreed in the United Nations Development Assistance Framework;

97. Also underscores the importance of ensuring that the strategic plans of funds and programmes are consistent with and guided by the comprehensive policy review, which establishes the main intergovernmentally agreed parameters of the operational activities for development of the United Nations system;

98. Requests the Secretary-General, in this regard, to report to the General Assembly on the implications of aligning the strategic planning cycles of the United Nations funds and programmes with the comprehensive policy review and to provide recommendations on changing the comprehensive policy review from a three-year to a four-year cycle, in order for the Assembly to make a well-informed decision during its sixty-third session;

99. Welcomes the efforts made by the United Nations development system in the use of the common country assessment and the United Nations Development
Assistance Framework and the alignment of the Framework cycle with national planning processes and frameworks in an increasing number of countries, and notes the efforts made to improve coherence, coordination and harmonization in the United Nations development system, including at the country level:

100. Invites the United Nations system and the Bretton Woods institutions to explore further ways to enhance cooperation, collaboration and coordination, including through the greater harmonization of strategic frameworks, instruments, modalities and partnership arrangements, in full accordance with the priorities of the recipient Governments, and in this regard emphasizes the importance of ensuring, under the leadership of national authorities, greater consistency between the strategic frameworks developed by the United Nations agencies, funds and programmes and the Bretton Woods institutions, while maintaining the institutional integrity and organizational mandates of each organization and the national poverty reduction strategies, including poverty reduction strategy papers, where they exist.

101. Emphasizes that programme countries should have access to and benefit from the full range of mandates and resources of the United Nations development system, whereby the national Governments should determine which resident and non-resident United Nations organizations will best respond to specific needs and priorities of the individual country, including in the case of non-resident agencies, through hosting arrangements with resident organizations, as appropriate.

102. Calls upon the Secretary-General to improve the transparency and competitiveness of the recruitment processes for senior high-level posts in the United Nations development system in order to find the best candidates both inside and outside the United Nations system, and in this regard calls upon the chief executives of the United Nations specialized agencies, funds and programmes to fully cooperate with the Secretary-General, through the United Nations System Chief Executives Board for Coordination, in harmonizing recruitment processes for senior officials by 2009, making the selection criteria transparent and ensuring that, for candidates with equivalent competencies, gender and geographical balance are duly taken into account.

103. Encourages that the United Nations development system be invited to participate, ex officio, in current and new aid modalities and coordination mechanisms, at the request of the programme country, and invites the United Nations development system to enhance its participation in this regard.

104. Requests the Administrator of the United Nations Development Programme, in the exercise of responsibilities for the management of the resident coordinator system, which continues to be firmly anchored in the United Nations Development Programme:

(a) To establish appropriate mechanisms to ensure that the cost of the resident coordinator system does not reduce resources that are destined for development programmes in programme countries;

(b) To ensure, where possible, that cost savings, as a result of joint efforts and coordination, will accrue to development programmes;

105. Recalls the mandate of the United Nations Development Programme, within the existing programming arrangement, to appoint country directors to run its core activities, including fund-raising, so as to assure that resident coordinators are fully available for their tasks.
B. Regional dimensions

106. Recognizes the contribution of interregional, regional and subregional cooperation to addressing development challenges related to the achievement of the internationally agreed development goals, including the Millennium Development Goals;

107. Encourages, in this regard, the United Nations development system to strengthen collaboration with regional and subregional intergovernmental organizations and regional banks, as appropriate and consistent with their respective mandates;

108. Requests the United Nations regional commissions to further develop their analytical capacities to support country-level development initiatives at the request of the programme countries, and to support measures for more intensive inter-agency collaboration at the regional and subregional levels;

109. Recognizes, in regard to the functioning of the United Nations development system, the importance of aligning regional technical support structures and the regional bureaux to provide support to the United Nations country teams, including enhanced technical, programme and administrative support, increasing their collaboration at the regional level, including through co-location, where appropriate and consistent with the needs of the programme countries of the regions concerned, and identifying appropriate mechanisms at the subregional level, where appropriate and in close consultation with the programme countries concerned, to respond to specific challenges that cannot be adequately responded to at the regional hubs;

110. Requests the funds, programmes and specialized agencies and other entities of the United Nations development system at the regional level and the regional commissions to further strengthen cooperation and coordination among each other at the regional level and with their respective headquarters, inter alia, through closer cooperation within the resident coordinator system and in close consultation with Governments of the countries concerned and, where appropriate, to include the funds, programmes and specialized agencies that are not represented at the regional level;

111. Calls upon the organizations of the United Nations development system, its regional commissions and other regional and subregional entities, as appropriate and consistent with their mandates, to intensify their cooperation and to adopt more collaborative approaches to support country-level development initiatives at the request of recipient countries, in particular through closer collaboration within the resident coordinator system and by improving mechanisms for access to the technical capacities of the United Nations system at the regional and subregional levels;

C. Transaction costs and efficiency

112. Requests the executive boards and governing bodies of the United Nations funds, programmes and specialized agencies to assess the progress achieved, including costs and benefits, in the area of simplification and harmonization of the United Nations development system at the global, regional and country levels, analyse the potential impacts on development programming and report to the Economic and Social Council at its substantive session on an annual basis;
113. **Calls upon** the United Nations funds, programmes and specialized agencies to continue to harmonize and simplify their rules and procedures, wherever this can lead to a significant reduction in the administrative and procedural burden on the organizations and national partners, bearing in mind the special circumstances of programme countries, and to enhance the efficiency, accountability and transparency of the United Nations development system;

114. **Also calls upon** the United Nations funds, programmes and specialized agencies to ensure, to the extent possible, that savings resulting from reductions in transaction and overhead costs accrue to development programmes in programme countries;

115. **Recognizes** that the growth of non-core/supplementary/extrabudgetary funding and of the number of associated projects increases transaction costs and is an important factor that can hinder efforts to maximize efficiency of the United Nations development system;

116. **Requests** the executive boards of the United Nations funds, programmes and specialized agencies to review the issue of cost recovery to ensure that core resources do not subsidize the projects undertaken through non-core/supplementary/extrabudgetary funding;

117. **Requests** the United Nations development system to further standardize and harmonize the concepts, practices and cost classifications related to transaction cost and cost recovery, while maintaining the principle of full cost recovery in the administration of all non-core/supplementary/extrabudgetary contributions, including in joint programmes;

118. **Encourages** the United Nations funds, programmes and specialized agencies, as appropriate and in consultation with programme countries, to further lower transaction costs, to conduct missions, analytical work and evaluations at the country level jointly, to provide their capacity development support through coordinated programmes consistent with the requests of programme countries and national priorities and to promote joint training and sharing of lessons learned;

119. **Encourages** the United Nations development system to make increased use of national public and private systems for support services, including for procurement, security, information technology, telecommunications, travel and banking, as well as, when appropriate, for planning, reporting and evaluation, and also encourages the United Nations development system to avoid and significantly reduce the number of its parallel project implementation units in programme countries as a means of strengthening national capacities and reducing transaction costs;

120. **Encourages** the funds, programmes and specialized agencies of the United Nations system to step up their efforts, in consultation with national Governments of programme countries and in accordance with their development needs and priorities, to rationalize their country presence through common premises, co-location and, where appropriate, to implement the joint office model and expand common shared support services and business units, in order to reduce United Nations overhead and transaction costs for national Governments;

121. **Encourages** the continuing development of harmonized approaches such as the adoption of the International Public Sector Accounting Standards, the standardization of audit definitions and ratings and the harmonized approach to cash transfers, calls upon the United Nations funds, programmes and specialized agencies to further harmonize and simplify their business practices, and recognizes the
importance of harmonizing human resources management, enterprise resource planning systems, finance, administration, procurement, security, information technology, telecommunications, travel and banking, and of making use of information and communications technologies to the fullest extent possible in order to reduce travel costs and other recurring communications costs;

122. Requests the Secretary-General to submit to the Economic and Social Council, at its substantive session in 2008, a programme of work for the full implementation of the above-mentioned actions, to be completed before the end of 2010, including a specific, measurable, achievable and time-bound results framework, benchmarks, responsibilities and provisions to phase out redundant rules and procedures, as well as a timetable to monitor the progress made towards meeting these targets;

D. **Country-level capacity of the United Nations development system**

123. **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 that needed to deliver on the priorities specified in each country’s United Nations Development Assistance Framework or country programme documents, 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;

124. **Encourages** the organizations of the United Nations development system to take all necessary measures in their human resources policies to ensure that United Nations staff involved in operational activities at the country level have the skills and expertise required for effective management, policy advisory and other capacity development work, in line with national development priorities and plans;

125. **Stresses** the need for the United Nations development system to adopt comprehensive policies and strategies for human resources and workforce planning and development, and in this regard requests the Secretary-General to prepare a report identifying human resources challenges within the development system at the country level and formulating recommendations for improvements;

126. **Requests** the Secretary-General, through the United Nations System Chief Executives Board for Coordination, to continue and intensify efforts related to inter-agency staff mobility, re-profiling and redeployment of staff, as well as training and skills upgrading, notably at the United Nations System Staff College at Turin, Italy;

127. **Underscores** the importance of the use of national professional staff and national consultants, wherever feasible and to the advantage of the programme countries;

128. **Encourages** the United Nations development system to further promote, develop and support knowledge management systems, so that programme countries can avail themselves of knowledge and expertise that is not readily accessible at the country level, including resources readily available at the regional level and from non-resident agencies;

E. **Evaluation of operational activities for development**

129. **Emphasizes** that programme countries should have greater ownership and leadership in the evaluation of all forms of assistance, including that provided by the United Nations development system, and requests the United Nations development
system to pursue and intensify its efforts to strengthen evaluation capacities in programme countries:

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

131. Requests the Secretary-General to continue to assess the effectiveness of the operational activities for development of the United Nations system, including, in particular, by assessing the effective use of all capacities available to provide a comprehensive and flexible response to the demand of developing countries for development support, and to report on the results of this assessment in the context of the next comprehensive policy review;

132. Recognizes the need to optimize the linking of evaluation to performance in the achievement of development goals, and encourages the United Nations development system to strengthen its evaluation activities, with particular focus on development results, including through the effective use of the results matrix of the United Nations Development Assistance Framework, the systematic use of monitoring and evaluation approaches at the system-wide level and the promotion of collaborative approaches to evaluation, including joint evaluations;

133. Emphasizes the importance of the independence and impartiality of the evaluation function within the United Nations system;

134. Reaffirms that the effectiveness of operational activities should be assessed by their impact on the poverty eradication efforts, economic growth and sustainable development of programme countries;

135. 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 the full participation and leadership of the recipient Government;

136. Requests the United Nations development system to further develop guidance and oversight mechanisms for the funding, planning and implementation of the monitoring and evaluation of United Nations Development Assistance Frameworks, with a view to assessing their contribution to national development and the achievement of the internationally agreed development goals, including the Millennium Development Goals;

137. Encourages all United Nations organizations involved in operational activities for development that have not already done so to adopt, as appropriate, monitoring and evaluation policies that are in line with system-wide norms and standards and to make the necessary financial and institutional arrangements for the creation and/or strengthening of independent, credible and useful evaluation functions within each organization;

138. Encourages the United Nations development system to further strengthen evaluation, with the agreement of the governing bodies of the funds, programmes and agencies, and in this regard encourages the United Nations development system to continue efforts to strengthen evaluation across the system and to promote a culture of evaluation;

139. Notes the voluntary efforts to improve coherence, coordination and harmonization in the United Nations development system, including at the request of some "programme country pilot"; encourages the Secretary-General to support
“programme country pilot” countries to evaluate and exchange their experiences, with the support of the United Nations Evaluation Group, and emphasizes, in addition, the need for an independent evaluation of lessons learned from such efforts, for consideration by Member States, without prejudice to a future intergovernmental decision;

V

Follow-up

140. Reaffirms that the governing bodies of the funds, programmes and specialized agencies of the United Nations development system should take appropriate actions for the full implementation of the present resolution, in line with paragraphs 91 and 92 of resolution 56/201;

141. Requests the Secretary-General, after consultation with the funds, programmes and specialized agencies of the United Nations system, to submit a report to the Economic and Social Council, at its substantive session of 2008, on an appropriate management process, containing clear guidelines, targets, benchmarks and time frames for the full implementation of the present resolution, that defines results to be achieved through the implementation of the present resolution in a format that will allow for adequate monitoring and evaluation of these results, and interdepartmental and inter-agency measures that need to be set in motion, for the implementation of the present resolution;

142. Also requests the Secretary-General, on the basis of information provided by the funds, programmes and specialized agencies of the United Nations development system, to submit to the Economic and Social Council, at its substantive sessions of 2009 and 2010, detailed reports on results achieved and measures and processes implemented in follow-up to the present resolution on the triennial comprehensive policy review in order to evaluate the implementation of the resolution, with a view to ensuring its full implementation;

143. Further requests the Secretary-General to submit to the General Assembly at its sixty-fifth session, through the Economic and Social Council, a comprehensive analysis of the implementation of the present resolution in the context of the triennial comprehensive policy review, inter alia, by making use of relevant documentation, and to make appropriate recommendations.

75th plenary meeting
19 December 2007