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THE ROUND-TABLE MECHANISM

SUMMARY

The present conference room paper responds to a request by the Executive Board for a brief review of UNDP experience with the round-table mechanism. It is designed to complement other reports on resources and on the narrowing of the UNDP focus that have been submitted to the Board for its consideration at the current session.

The paper provides a preliminary stock-taking of the application of the round-table mechanism over the past 25 years and presents an overview of work-in-progress with regard to defining a corporate strategy for this operational management tool for the future.

The information presented in the paper is based on: (a) consultations with regional bureaux; (b) past UNDP evaluations and reviews; (c) final reports of round-table meetings held in donor capitals over the period 1988-1997; (d) updates from a sample of country offices of round-table countries, on the status of the disbursements of pledges; and (e) the outcome of discussions at a headquarters' review group meeting.

Also highlighted are lessons learned, trends in the use of the round-table mechanism, and options for programme countries to apply the mechanism to help them to achieve their goals of poverty eradication and sustainable human development.

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I. INTRODUCTION

1. Responsibility for mobilizing resources rests with the programme country Government. Most developing countries, especially the least developed countries (LDCs), lack domestic resources to meet their poverty eradication and sustainable human development targets and they continue to rely on official development assistance (ODA).

2. Programme countries may seek support from the international community in coordinating aid as they move through different phases of development. In doing so, they may use institutionalized mechanisms that meet criteria such as the following:

(a) Ensure transparency in policy dialogue between Governments and their development partners;

(b) Mobilize resources;

(c) Help to strengthen their capacity in aid coordination.

3. Mechanisms for aid coordination have evolved from aid groups started in the late 1950s - to the round-table mechanism in the early 1970s, mainly for LDCs - to the introduction of the World Bank-led Consultative Groups in the 1980s for mobilizing aid for stabilization and structural adjustment programmes.

4. Currently, programme countries tend to choose between Consultative Groups and the round-table mechanism. The respective roles and responsibilities of UNDP and the World Bank in Consultative Groups and in the round-table mechanism were defined in the Aid Coordination Agreement signed by the two organizations in April 1996. UNDP places capacity-building at the centre of its aid coordination activities and encourages the involvement of private sector and civil society representatives.

II. CHARACTERISTICS OF THE ROUND-TABLE MECHANISM

5. The round-table mechanism is nationally driven, being chaired by the Government of the country concerned jointly with UNDP. It enables programme countries to present to donors their broad, long-term, integrated development strategies and policies - placing their macroeconomic stabilization and structural adjustment policies into a long-term, strategic perspective.

6. Other characteristics of the mechanism are that it can help countries to:

(a) Mobilize not only aid but also private sector financial support;

(b) Facilitate discussion of debt reduction strategies as part of the programme country's overall resource mobilization strategy and provide a forum to discuss the financing of internal debt;

(c) Provide a development forum for policy dialogue and consensus-building between the Government of the programme country and a wide range of national and international stakeholders - going beyond traditional donors and including civil society as a whole;

(d) Contribute towards national capacity development through:

(i) Enabling a national interinstitutional task force, under the leadership of a national coordinator supported by the UNDP country office, to prepare for, and organize, the meeting;

(ii) The use of national consultants to draft the documentation - with the support and facilitation of international consultants, as required;

(iii) Helping to integrate this instrument for forging consensus between national and international actors in the overall planning, budgeting and programming instruments of programme countries including public investment programmes (PIPs) and public expenditures reviews (PERs);

(iv) Enabling programme countries to take the lead in coordinating and managing the mobilization of resources to meet their development targets - from both domestic and external sources - public and private;

(e) Coordinate their assistance from the United Nations system and from the international community as a whole by using the instrument as a forum for discussing the policy goals and resource mobilization targets identified in nationally developed and nationally owned programme approaches.

7. To date, 35 countries have held round-table meetings, including, most recently, Angola, Congo and Namibia. The mechanism is also used by groups of territories and countries in different regions or subregions.

COUNTRIES THAT HAVE HELD ROUND-TABLE MEETINGS
DURING THE 10-YEAR PERIOD 1988-1997

Sub-Saharan Africa

Angola, Benin, Burkina Faso, Burundi, Cape Verde, Central African Republic, Chad, Comoros, Congo, Equatorial Guinea, Gambia, Guinea-Bissau, Lesotho, Mali, Mauritius, Namibia, Rwanda, Sao Tomé and Príncipe, Seychelles, Sierra Leone, South Africa, Togo.

Arab States

Djibouti, Yemen.

Asia and the Pacific and Oceania

Afghanistan, Bhutan, Cook Islands, Fiji, Lao People's Democratic Republic, Maldives, Samoa (Western), Solomon Islands, Vanuatu.

Eastern Europe and the Commonwealth of Independent States

Ukraine, Uzbekistan.

8. By its decision 92/7 of 14 February 1992, the Governing Council (predecessor of the Executive Board) set aside Special Programme Resources (SPR) for the fifth programming cycle (1992-1996) programming activities. The aim was to strengthen recipient government capacity to achieve effective coordination on the basis of national policies and dialogue with the donor community. Under the SPR subcategory D.1, \$12.5 million was approved to support Governments in organizing round-table meetings and in preparing for consultative group meetings. In 1993, the amount was reduced to \$8.75 million as a result of the 30 per cent across-the-board cut in UNDP programme budgets.

9. In addition to SPR, financing for the round-table mechanism has been provided through trust funds (e.g., those funded by France, the Netherlands and Portugal). In some cases, particularly for the sectoral consultations, there has been co-financing from core resources.

10. The round-table process involves a cycle consisting of a round-table conference, usually held in Geneva, sectoral or thematic meetings and periodic reviews.

THE ROUND-TABLE PROCESS

The round-table conference is designed to be a formal review meeting that takes place periodically, preferably every two years. It brings together senior officials of the programme country Government and the principal donors to review development strategies, policies and macro-economic reforms and to renew support for the country's development goals. The conference is usually held in Geneva and is chaired jointly by the Government and UNDP.

Sectoral or thematic consultations complement and follow on from the round-table conference aimed at translating overall strategy and policy agreements into sectoral or thematic strategies and programmes. They provide an opportunity to discuss certain issues in greater depth and to broaden the range of participants to include non-governmental organizations (NGOs) and the private sector. They are usually held in the programme country.

Periodic review meetings are held to link the different elements of the round-table process and to monitor implementation of the agreements made at the conference and in the sectoral or thematic consultations. They also provide an opportunity to flag issues not addressed in the conference or consultations.

III. SUMMARY OF LESSONS LEARNED

11. The round-table methodology was refined in response to evaluations carried out, mainly by the Regional Bureau for Africa (RBA), in 1984/1985, in 1990/1991 and in 1994/1995.

12. Based on the findings of the 1984 UNDP "Review and assessment of the SNPA round-table meeting process for the Asia and Pacific region" and the 1985 final report on the evaluation of the round-table experience in Africa, a revised format for the mechanism was adopted and endorsed by the Conference of African Ministers of Planning organized by RBA and the Economic Commission for Africa in October 1986. The revised format, representing a major change in the UNDP approach, defined the aims of the round-table mechanism as:

(a) Fostering policy dialogue between the Government and its main donors on economic strategies and policy reforms and priority actions;

(b) Mobilizing external resources for agreed development programmes;

(c) Ensuring linkage between policy dialogue and resource mobilization.

13. A 1991 report commissioned by UNDP ("Capacity-building for Aid Coordination in the Least Developed Countries"), followed by a workshop in May 1991, led to revised methodology that highlighted the need for improved monitoring and follow-up of commitments. As the information below suggests, this is an area that continues to require attention.

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14. In its report entitled "The revised round-table process" (JIU/REP/92/4), the Joint Inspection Unit (JIU) identified the lack of formal agreements on the responsibilities of the different actors - UNDP, the programme country Government, and donors - as the main weakness of the round-table mechanism and it recommended that the mechanism should be used more aggressively to mobilize resources including debt relief.

15. In the findings and recommendations of the 1995 UNDP-commissioned report entitled "Aid coordination and NatCAP evaluation: UNDP's role in aid effectiveness" it was noted that the round-table mechanism had provided an important means for building the kind of donor-recipient partnership that fostered developing country initiative and ownership. It was noted, however, that meetings had to be held regularly: a regular two-year cycle was recommended. The timing of round-table meetings needed to be integrated more closely with the national planning, budgeting and programming cycle. UNDP was encouraged to take the lead in follow-up meetings on sectoral and thematic programmes in sectors or themes where it has a comparative advantage, with particular focus on capacity development for more effective programme execution.

16. To address issues related to countries in special circumstances, an expanded inter-agency consolidated appeal process (CAP) has been created to bridge emergency and development financing. It covers:

(a) activities similar to those of the CAP - emergency relief assistance, demobilization activities and the initial phase of reintegration of internally displaced persons (IDPs) and refugees;

(b) support for longer-term development needs relating to (i) the rehabilitation and reintegration of demobilized soldiers, IDPs and refugees; (ii) governance issues such as elections, judicial systems, training of police, and institution-building; and (iii) longer-term reconstruction and development.

IV. TRENDS IN THE USE OF THE ROUND-TABLE MECHANISM

17. In supporting programme countries to apply the round-table mechanism in diverse country situations over the past 25 years, UNDP has observed the following trends:

(a) The mechanism has become more demand-driven: it has become more flexible, more innovative and more responsive to the needs of specific country situations;

(b) The focus of the mechanism has shifted from resource mobilization in the 1970s to consensus-building on policy direction in the 1980s to a combination of policy dialogue and resource mobilization in the 1990s;

(c) The mechanism has enabled countries to nurture consensus between national actors;

(d) Certain countries have been able to hold meetings regularly and have made steady progress in strengthening their capacity for aid coordination;

(e) There has been more flexibility in deciding on the venue for round-table meetings. The decision on whether to hold a round-table meeting in the capital of a donor country or of the programme country depends on which is projected to be most cost-effective from the programme country's perspective and which is most convenient for donors;

(f) The round-table mechanism has become increasingly linked with United Nations thematic mandates as part of an integrated follow-up to implementing the action plans of the global conferences;

(g) The round-table mechanism has encouraged a cross-sectoral, integrated approach to development: analyses undertaken by national human development reports and national long-term perspective studies can be used as the basis for policy dialogue;

(h) The round-table mechanism has increasingly involved participation from the private sector and from civil society;

(i) Non-LDC programme countries have implemented tailor-made round-table meetings to take advantage of the attributes of the modality;

(j) In crisis countries, the round-table mechanism has been tailored to incorporate elements that are related to pledging conferences for humanitarian programmes.

(k) There is increased national leadership and ownership. When the concept of the round-table mechanism was introduced by UNDP, most of the preparatory work and much of the follow-up was done by UNDP or UNDP consultants. As UNDP has made capacity development a central concern in the round-table process, national leadership and ownership have evolved. UNDP is now increasingly assisting national teams to prepare for their round-table meetings;

(l) The round-table mechanism is starting to help countries to implement the 20/20 initiative by providing a forum in which programme countries, by pledging to allocate 20 per cent of budget expenditure to basic social services can seek matching donor contributions. Sectoral round-table meetings, planned in 1998 for Chad and Niger, will include discussions on basic social services and the 20/20 initiative.

18. In general, the round-table mechanism has generated useful stock-taking exercises, has facilitated future programming and aid coordination, and has identified financing gaps.

19. With regard to resource mobilization, the analysis of final reports of round-table meetings held in donor capitals during the period May 1988 to November 1997 shows that a total of \$12 billion was mobilized in indicative pledges by 17 programme countries. In some cases, programme countries mobilized

indicative pledges through the round-table mechanism of \$1 billion or more.

20. Of the \$12 billion pledges mobilized during the 10-year period concerned, over \$ 8 billion was for countries categorized as LDCs. Over \$5 billion was for countries of Sub-Saharan Africa, over \$4 billion for countries of Asia and almost \$3 billion for countries of Eastern Europe and the Commonwealth of Independent States.

21. Pledges of over \$7 billion were mobilized for countries with a low human development index, where poverty eradication needs are highest. In some instances, the round-table mechanism has led to some UNDP cost-sharing.

V. CONCLUSION

22. The forgoing review suggests that the success of the round-table mechanism depends on the following factors, which can be broadly categorized under the headings of (a) commitment; (b) capacity; and (c) management.

A. Commitment

ACTORS

ACTION

Programme country

Ownership and commitment of the host Government as a whole and not just of the Planning Ministry or the main interlocutor of UNDP in that country;

UNDP

Aide-mémoire between UNDP and the Government, setting out the goals of the round-table meeting, the strategic action plan and the division of responsibilities;

International community

Support for holding the round-table meeting by the donor community, including the World Bank and the International Monetary Fund (IMF);

B. Capacity: substantive, operational and logistical

ACTORS

ACTION

Government

High quality, nationally owned documentation, distributed at least six weeks before the meeting;

Government

Circulation before the meeting of resource mobilization table for donors to indicate their pledging of new resources, categorized according

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	to emergency, balance of payments support, development assistance;
Government	Strategic sensitization of donors before the round-table meeting;
Government	Business-like and results-oriented agenda, allowing adequate time for frank and constructive exchange between the host Government and its development partners on priority issues, policy options and a realistic strategic action plan;
UNDP	Simpler methodology; more regular meetings;
UNDP	Leading-edge logistical services and secretariat;
International Community	High-level participation from multilateral institutions, especially the World Bank, the IMF, the bilateral donors and from NGOs and the private sector.

C. Management: Effective follow-up and monitoring of pledges

ACTORS	ACTION
Government	Rigorous follow-up to agreements (if necessary with UNDP support to capacity development in the Ministry of Finance)
UNDP and Government	Tracking system for ensuring that round-table meetings result consistently in pledges of net additional resources and that pledges translate into disbursements;
International community	Agreement by all participants to carry forward pledges and have them disbursed according to the time and purpose agreed.

23. The above stock-taking exercise suggests that the round-table mechanism can provide programme countries with a useful menu of options for mobilizing support from the international community.

24. Greater flexibility should be introduced so that the round-table mechanism provides a menu of options with regard to goals, focus, venue and participation, etc. to enable programme countries to optimize the potential of the mechanism and to facilitate maximum national participation and ownership.

25. The round-table mechanism should be used for global as well as country-specific issues. The High-Level Meeting on Integrated Initiatives for

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Least Developed Countries on Trade and Development, held in Geneva 27-28 October 1997, pointed to the crucial role that the round-table mechanism can play in enabling LDCs to benefit from increasing globalization and trade liberalization.

26. The agenda of round-table meetings should focus on mobilizing pledges not only of ODA but also of foreign investment; debt relief; technology transfer; and trade opportunities. This would enable programme countries to use the round-table mechanism as an effective, nationally owned, instrument for presenting their policies, programmes and their financing needs to the international community and identifying best opportunities in a globalizing world.

27. In line with the UNDP 2001 change management recommendation, UNDP is seeking the appropriate balance between the roles of co-convenor, sponsor, and provider of effective follow-up. UNDP is also seeking ways and means to ensure, together with programme countries, better tracking, monitoring and reporting on results achieved in applying the round-table mechanism.
