Annual session 1997
12-23 May 1997, New York
Item 7 of the provisional agenda

REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL

Report of the Administrator

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PURPOSE


EXECUTIVE BOARD ACTION

The Executive Board may wish to take note of the present report and transmit it, with its comments, to the Council.
PART ONE

FOLLOW-UP TO THE IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTIONS 47/199 AND 50/120 AND TO ECONOMIC AND SOCIAL COUNCIL RESOLUTION 1996/42

I. INTRODUCTION

1. In the course of 1996, UNDP, in collaboration with other United Nations entities, continued to implement measures called for by the series of triennial policy reviews undertaken by the General Assembly, which led up to General Assembly resolution 50/120.

2. Implementation by UNDP of General Assembly resolution 50/120 was undertaken entirely in keeping with the management process set up in compliance with paragraph 52 of the resolution and contained in annex II of the report entitled "Operational activities of the United Nations for international development cooperation: Progress on the implementation of General Assembly resolution 50/120" (E/1996/64). That report gave due attention to resources, capacity-building, and field and regional coordination, which the Council will review at its 1997 substantive session on the basis of a progress report by the Secretary-General. Accordingly, the present report focuses on matters specific to UNDP.

II. PROGRAMME MATTERS

A. Programme approach

3. UNDP has played a key role in the development of a common understanding of the programme approach which is now contained in the Operational Activities Reference Manual published in 1996 by the Consultative Committee on Programme and Operational Questions (CCPOQ) with significant substantive and financial support from UNDP. Efforts are now under way to further refine the procedures for the programme approach in order to facilitate its application in all regions where UNDP operates. In February 1997 UNDP participated in a CCPOQ workshop on best practices under the resident coordinator system. In that workshop, the United Nations system-wide common understanding on the programme approach was reviewed and improved in light of country-level experience. Publication of the CCPOQ manual, and specifically its section on the programme approach, reflects the endorsement of the programme-approach concept and its practice system-wide. While there is some consensus on the concept of programme approach, its actual application varies greatly and is not yet widespread among United Nations agencies. In 1997, UNDP will conduct a strategic evaluation of the programme approach, from the UNDP perspective, to analyse its application, identify constraints and make recommendations.

4. The governing bodies, the Executive Board and the Council may wish to recognize and further encourage the system-wide scope of the programme approach and the efforts being undertaken by UNDP and CCPOQ in that regard.
B. Harmonization of programme cycles and programming procedures

5. Throughout 1996, UNDP was active in the Subgroup on Harmonization of Policies and Procedures of the Joint Consultative Group on Policy (JCGP) and chaired the JCGP Subgroup on Harmonization of Country-level Programming-cycle Implementation and Management. By the time of this report, programming cycles had been harmonized in 27 countries. In another 54 countries they will be harmonized by 1999, while in a further 26 they are likely to be harmonized thereafter. Eight countries constitute special cases, where for various reasons such as emergency situations, programming cycles are unlikely to be harmonized in the foreseeable future. UNDP has made clear to country offices that the new successor programming arrangements with the three-year rolling financial cycle are fully in keeping with the harmonization of the UNDP country cooperation frameworks (CCFs) with the country programming arrangements of other agencies since the determining factor for harmonization is a country's own planning cycle, the three-year rolling cycle of UNDP being merely a financial management device. Ideally, the planning time-frame for country cooperation frameworks and for the programmes of other funds and agencies should be the relevant planning time-frame of the national government concerned.

6. UNDP participated in the implementation of the common country assessment (CCA), a JCGP exercise to rationalize the collection of socio-economic data at country level for purposes of preparing, monitoring and assessing country programmes. It is planned that the finalized guidelines for CCA will be distributed in March 1997. CCA is to become the basis for all country programmes in the present programming cycle. During the current programming period, it will also serve as a basis for reviewing and adjusting programmes as they evolve.

7. The governing bodies may wish to recognize the progress achieved so far by JCGP and endorse and further encourage the use of CCA as an instrument of vital importance for ensuring compatibility of and harmonization among country programmes of individual funds and programmes.

C. Common operational activities reference manual

8. As indicated in the report on follow-up to the decisions taken by the Economic and Social Council at its substantive session of 1996, CCPQ, with considerable substantive and financial assistance from UNDP, published an operational activities reference manual, which has now been forwarded to all country offices and will serve as a unifying framework within which each agency will operate using its own detailed operational procedures. The Manual represents a common denominator for a common conceptual understanding of operational activities. It is a living instrument which will be continually updated. As a result of the CCPQ workshop held in February 1997, several chapters of the Manual are being updated by the CCPQ secretariat.

9. The governing bodies may wish to recognize the CCPQ Manual as a specific system-wide response to the call for a common manual emerging from such
intergovernmental legislation as General Assembly resolutions 47/199 and 50/120 and to encourage its development and expansion.

D. Capacity-building

10. In 1996 capacity-building continued to be a primary tool in the hands of UNDP for helping programme countries to strive for the goal of sustainable human development. The assessment of UNDP conducted by the Governments of Denmark, India, Sweden and the United Kingdom in 1995 was fed back into UNDP efforts in the realm of policy development. UNDP has some four decades of experience in capacity-building, and the leitmotif of the assessment was the comparative advantage of UNDP in capacity-building in programme countries whereas dispersed, grass-roots interventions, are best left to civil society organizations. In 1996, in addition to the emphasis laid on the need to develop good governance, the importance of capacity-building, particularly in the management and coordination of and by nationals, was reaffirmed as an integral part of the mission of UNDP. Capacity-building in which UNDP participated in past decades is largely responsible for the achievements of the newly industrializing countries, which are now themselves emerging as donors. In order to be approved, any country cooperation framework for the programming cycle which begins in 1997 must explicitly target capacity-building. As a follow-up to the assessment of UNDP, UNDP has accepted a trust fund from Denmark for the equivalent of about $8 million for new initiatives by UNDP in capacity-building in specific programme countries.

11. An important subset of capacity-building activities are those related to capacity-building for the coordination and management of aid. A study entitled "Aid coordination and management: A role for UNDP", published by UNDP in 1996 establishes the strategy and policy of UNDP in the area of the coordination and management of aid recognizes that those functions are primarily the responsibility of the Governments of programme countries, the role of UNDP being that of assisting countries, at their request, to strengthen their capacity in that area and also of providing direct support to (a) the coordination and management process through mechanisms such as round-tables and (b) the resident coordinator system.

12. The governing bodies may wish to recognize the progress made by UNDP in defining its role in capacity-building and to encourage it to make further refinements in that regard to focus its concentration more sharply on that role in its operational activities and to promote the integration of its programme role (a) in helping to build national capacity for the coordination and management of aid and (b) in providing direct support to the coordination process.

E. Monitoring and evaluation

13. In 1996, the JCGP Subgroup on Harmonization of Policies and Procedures finalized the common guidelines on monitoring and evaluation, which UNDP has shared with all country offices. These guidelines are the result of an extensive review of monitoring and evaluation procedures by JCGP and provide a single set of parameters based on common terminology and concepts defined in
previous JCGP efforts. They deal with monitoring and evaluation at the project and programme levels and recommend a common approach to mid-term reviews of country programmes and CCFs.

14. The Inter-agency Working Group on Evaluation, chaired by UNDP, met in Geneva in November 1996 and exchanged information and proposals relating to enhanced coordination among evaluation offices of the United Nations system and the Bretton Woods institutions. Matters discussed included performance rating systems in the Development Assistance Committee (DAC) and the World Bank and issues related to evaluation and to oversight and harmonization.

15. UNDP is currently developing a more comprehensive system for absorbing lessons learned into its managerial and decision-making forums. Several mechanisms are now in operation for disseminating lessons learned and promoting their application in new projects and programmes. These include:

(a) Decentralization of institutional memory, in which summaries of individual project/programme evaluations are registered in a central evaluation database (CEDAB) now containing over 1,500 summaries. CEDAB is currently being redesigned in a more user-friendly format and decentralized to all UNDP units at headquarters and in the field and to other United Nations agencies and donors. Easy access to CEDAB will enable project/programme managers to learn about the best and worst practices and the lessons learned from past evaluations in similar sectors, themes, regions or countries;

(b) Training and workshops. In this connection UNDP conducted subregional workshops in new dimensions in monitoring and evaluation at Kuala Lumpur and Prague, in which stress was laid on the application of lessons learned. These were attended by UNDP national officers, government officials with evaluation responsibilities and representatives of NGOs;

(c) Publication and dissemination of all strategic thematic evaluation results. Evaluation reports systematically include a section on findings, evaluations and lessons learned and are distributed to a large audience within UNDP, including the Executive Board and donor agencies; to other bodies in the United Nations system and to academic institutions and other bodies to which experts in evaluation contribute;

(d) Application of lessons learned. No new project or programme should be considered for approval by the UNDP Programme Management Oversight Committee (PMOC) or the Project Appraisal Committees (PAC) of the regional bureaux before a comprehensive search for relevant lessons has been conducted and the application of those lessons has been suitably incorporated into the design of the projects and/or programmes concerned.

16. To strengthen further its monitoring and evaluation capacities, UNDP has identified the following objectives: (a) adaptation of current monitoring and evaluation requirements and guidelines to new programming arrangements; (b) introduction of new methodological developments which have emerged from the international donor community; (c) incorporation of new modalities, such as national execution, the programme approach, and participatory development, into
the monitoring and evaluation system; (d) achievement of a harmonized monitoring and evaluation system for all United Nations agencies; and (e) incorporation of the lessons learned from experience with a view to feeding them back into the system. In 1996 the UNDP Office of Evaluation and Strategic Planning (OESP) revised the 1988 monitoring and evaluation guidelines prepared in 1988, taking the above objectives into account.

17. Since the adoption of the national execution modality, UNDP has been especially active in the strengthening of national monitoring and evaluation capacities. Projects aimed specifically at developing national capacities for monitoring and evaluation are in implementation in Brazil, Colombia, El Salvador, Guyana, Kenya, Morocco and South Africa. By promoting the participation of government evaluation personnel workshops like these help to develop the capacity of Governments in this area.

18. UNDP encourages joint evaluations, in which other agencies participate when they are clearly involved in a project or programme and would provide significant input in the evaluation process. Joint evaluations have proved quite successful at the country level but are more difficult to coordinate at headquarters because monitoring and evaluation guidelines and requirements are not effectively harmonized among different United Nations agencies and the negotiation process is slower and more complex. One practical step taken by UNDP with regard to joint evaluations by United Nations bodies is an evaluation of cooperation activities with Cape Verde involving UNDP, UNICEF, the International Fund for Agricultural Development, WFP, the Food and Agriculture Organization of the United Nations, the World Health Organization, the International Labour Organization (ILO) and the United Nations Industrial Development Organization.

19. At the central level, UNDP undertook six main evaluations in 1996. These included evaluations of (a) the environmental projects undertaken in Latin America and the Caribbean; (b) the efforts to strengthen the work of the resident coordinators; (c) global, interregional and regional programmes; (d) the fifth cycle special programme reserve; (e) co-financing modalities and (f) the exercise relating to public sector management and reform in the Arab States region. Where policy formulation and new programme design are concerned, UNDP has been relying increasingly on comprehensive thematic and strategic evaluations such as these because they make it possible to draw lessons from a large sample of projects and programmes whereas evaluations of individual projects yield data from which it is harder to generalize.

20. The governing bodies may wish to take note of the progress achieved by UNDP in the area of monitoring and evaluation and to encourage further efforts in effective harmonization of monitoring and evaluation activities among funds, programmes and agencies of the United Nations system.

F. Field and regional coordination

21. The integrated follow-up on United Nations conferences provided an opportunity to coordinate United Nations activities at three levels, i.e., at global level, through the Administrative Committee on Coordination (ACC) and its
inter-agency task forces; at regional level, through regional meetings of agencies members of ACC, chaired by the Executive Secretaries of the regional economic commissions; and at country level, through task forces operating within the resident coordinator system.

22. In 1996, UNDP continued to promote periodic consultations with the Executive Secretaries of the regional commissions by holding two meetings of the Administrator, the Associate Administrator and the Executive Secretaries on the occasion of each of the two sessions of ACC. Collaboration between UNDP and the regional commissions includes policy analysis, involvement in regional meetings, exchange of information and joint efforts in project implementation. In 1996, a further flagship project was identified in each region to serve as a vehicle for a policy dialogue on programme themes of relevance to the regions between UNDP and the commission concerned.

23. Regarding country-level coordination, in 1996, UNDP continued to fund the resident coordinator function at the level of some $100 million annually. Staff costs of the resident coordinator and support staff directly related to this function were also covered by this figure, which accounts for nearly one third of the country office annual administrative budget for direct support to the United Nations system and resident coordinator activities. Specifically, UNDP has moved to strengthen the resident coordinator system by (a) broadening the selection pool of candidates to include other agencies; (b) providing operational funding for resident coordinator work per se in 1996, a move which dovetails with the new arrangements approved by the Board for 1997-1999; (c) expanding training programmes held in connection with the United Nations Staff College at Turin; (d) supporting the management process developed by the United Nations to ensure implementation of General Assembly resolution 50/120; (e) preparing tighter management and personnel performance appraisals; (f) ensuring policy coherence and coordination both at headquarters and at country level by meeting the coordination responsibilities entrusted to the Administrator by the Secretary-General. Significant outstanding issues related to the resident coordinator system include increasing the commitment of all system partners to the system and strengthening the legislative basis for the resident coordinator function.

24. The governing bodies may wish to recognize the contribution made by UNDP to coordination in the field and at the regional level and to encourage further harmonization of the coordination at the global, regional and country levels.

II. MANAGEMENT, PERSONNEL AND FINANCE

A. Management audit systems and aid accountability

25. In 1996 direct collaboration continued between the internal audit services of UNDP and those of United Nations bodies. Consultations were held on the development of databases of common audit findings, the need to ensure a similar scope for management audits so as to permit coordinated corrective action and the use of outside contractors to conduct internal audits. For its part, UNDP made the goal of ensuring optimal accountability one of its five corporate
objectives for 1996. In pursuit of this objective it (a) expanded audit coverage in an innovative and cost-effective manner, establishing regional service centres, one for Africa and the other for Asia; (b) established an accountability framework covering all key management systems for implementation in 1997; (c) set up mechanisms, such as the Standing Committee for Personal Responsibility and Financial Liability, to ensure rapid review and decision-making in accordance with due process; (d) established a database to track the implementation of internal audit; (e) established transparent, peer-review procedures for staff evaluations, hiring, promotion and assignments; (f) consolidated all cases involving account-ability into one database; (g) implemented procedures for imposing personal liability for loss to the organization and penalizing infractions of financial rules and regulations; (h) ensured that all staff is regularly apprised of actions taken when infractions occur; and (i) increased the compliance rate for audits of nationally-executed projects from 8 per cent in 1989 to 70 per cent in 1996.

B. Harmonization of budget presentations

26. In compliance with decision 94/30 of the Executive Board of the United Nations Development Programme (UNDP) and of the United Nations Population Fund (UNFPA) enormous progress has been made in the harmonization of budget presentations. A report entitled "Harmonization of budgets: UNDP, UNFPA and UNICEF" (DP/1997/2, E/ICEF/1997/AB/L.3), which was submitted to the Board at its first regular session in January 1997, contained a proposal for a common format for presentation of the biennial support budget, a compendium of common terms and definitions and a common methodology for the preparation of budget estimates. The relevant Executive Boards approved the common format following direct consultations between their finance divisions, which then briefed the Boards.

C. Common premises and administrative services

27. With UNDP in the chair in 1996, the JCGP Subgroup on Common Premises and Services reviewed the actions taken to establish common premises and agreed that the methodology and operational guidelines for development and implementation of common premises and the mandate of the Subgroup should be improved. In particular, the Subgroup noted the absence of technical expertise in the areas of real estate and facility management. In its consultations with sister bodies, UNDP has stressed the importance of common services as a prerequisite for the establishment of common physical premises.

28. The Subgroup expects, with the assistance of real estate management consultants with extensive international links, to produce the following outputs in 1997: revised terms of reference for the Subgroup; a definition of specific criteria and operational guidelines for ownership and/or eventual disposal of properties; and operational guidelines for establishing common premises in the future, covering, among other matters, cost- and service-sharing, cost control, project management and partial or total disposal or enlargement of properties and a methodology for cost/benefit analysis for decision-making in the area of common premises and services.
29. The governing bodies may wish to acknowledge the progress made so far on common premises and services and to reaffirm the need to increase efficiency through, *inter alia*, consolidation of administrative infrastructures of the organizations by establishing, in cooperation with host Governments, common services and, where appropriate, common premises.

**PART TWO**

**FOLLOW-UP TO GENERAL ASSEMBLY RESOLUTION 50/227**

**I. ANALYTICAL ASSESSMENT OF THE IMPLICATIONS ON OPERATIONAL ACTIVITIES OF RECENT TRENDS IN CORE AND OTHER RESOURCES**

30. An analysis of trends in UNDP resources availability in 1996 and previous years indicates continued strong growth in overall resources attributable primarily to increases in non-core resources, whereas core resources have remained stagnant. Annual contributions to the core resources of UNDP over the fifth cycle have fluctuated from a high of $1,177,900,000 in 1992 to $903,000,000 in 1995 and an estimated $850,000,000 in 1996. Pledges for 1997 and other estimates indicate that core resources in that year will be slightly higher than the $850,000,000 expected for 1996. Overall resources, including both core and non-core resources have, however, over the same period grown from $1,739,100,000 in 1992 to $1,925,000,000 in 1995, with an estimated $2,000,000,000 for 1996. The conclusion is quite clear: all contributors to UNDP - both traditional donors and programme countries - have as a group experienced constraints in expanding core funding. An analysis of the causes of this phenomenon will point to the ways in which UNDP must move in order to remain a well-funded organization.

**II. RECOMMENDATIONS ON INCREASING CORE RESOURCES**

31. Core resources remain the primary means of providing impartial, universal multilateral assistance and will continue to be the foundation of the resource bases of UNDP. No organization can be truly multilateral without core resources. Donations to the core resources of UNDP are now apt to be directed towards a smaller group of countries and a smaller number of activities which relate to sustainable human development. Not only do these countries and activities coincide with the interests of specific constituencies in the donor countries but they also reflect the results of major United Nations conferences, such as the World Summit for Social Development, and hence represent the consensus of the majority of nations.

32. Nonetheless, it is proving difficult to expand the reservoir of core contributions. Emerging donors in particular set their sights on their own regions or on countries to which they have geographical, historical and cultural ties. They may not have the same goals as the traditional donors vis-a-vis the relatively small group of low-income countries which can benefit the most from core resources and consequently they tend to seek out trust funds or project...
cost-sharing schemes which target their own or regions or individual countries in those regions instead of donating to the UNDP core. Budgetary restrictions in major traditional donors currently appear to be imposing a ceiling on UNDP core contributions even though such activities are largely used to provide sustainable human development in low-income countries and therefore clearly reflect the aid objectives of those donors.

33. The following three approaches to increasing core contributions may therefore be taken:

(a) Making UNDP more efficient and transparent so as to increase its attractiveness at a time when major traditional donors may be downsizing their own aid infrastructure and institutions. By aiming at a similar group of countries and making sustainable human development its overall goal, UNDP may well become an increasingly more attractive channel for traditional donors. At a high-level meeting held in 1996 on multilateral cooperation by the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), all donors were urged to give serious thought ways of achieving the best possible mix between bilateral and multilateral aid. UNDP and its sister agencies need to demonstrate the efficiency, transparency and credibility of multilateral aid as a vehicle for achieving the ultimate goals of people-centred, sustainable development which the world community subscribed to at the World Summit for Social Development;

(b) Showing emerging donors that, as economic globalization continues, the countries targeted for core funding by UNDP are potential economic partners of emerging donors and that contributions to core resources help those potential partners develop and open the way to mutual long-term benefits. It is challenging to try to convince donors to contribute to core resources since donations to non-core funds give them greater control over the destination of their donations, but they must be convinced if multilateral cooperation is to survive;

(c) Seeking additional core contributions from net recipient countries, who are the primary beneficiaries of the core fund.

III. ADOPTED TARGETS

34. The introduction of the resource mobilization target (RMT) as an integral element of CCFs reflects a recognition of the importance of both core and non-core resources in coming years and, in particular, constitutes an acknowledgement of the insufficiency of core resources to meet the goals of CCFs. The RMTs will also serve as a basis by which programmes can be evaluated once resource mobilization is an eloquent indicator of any programme’s relevance to donors and recipients. The RMT clearly reflects the decentralized nature of the current UNDP resource mobilization strategy. It is the responsibility of those at country level - in both the host Government and the UNDP office - to do everything in their power to convert the RMT into reality.
IV. PRIORITIES AND PROGRAMMES AGREED BY THE EXECUTIVE BOARD

35. A number of landmark decisions adopted by the Executive Board, including decisions 94/16 and 95/23, have changed the mechanism by which UNDP mobilizes and allocates its resources. Emphasis has shifted from the entitlement-based indicative planning figure (IPF) system to a performance-based target for resource assignment from the core (TRAC), in which the interdependence between core and non-core resources is explicitly recognized. Core and non-core resources must interact positively, with increases in one leading to increases in the other, if the cooperation framework is to work. All the CCFs to be considered by the Board in 1997 will reflect those decisions. The sectoral breakdown of UNDP resource allocations is also in the process of shifting in such a way as to reflect major focus areas of sustainable human development, including (a) poverty eradication; (b) employment; (c) gender in development; (d) the environment; and (f) good governance. UNDP expects that these major shifts in structure and substance will attract traditional and emerging donors to contribute to the core fund, which must remain at the heart of UNDP.

V. NEW AND INNOVATIVE SOURCES AND MODALITIES FOR FUNDING OPERATIONAL ACTIVITIES

36. Since this issue is to be covered extensively in a report of the Secretary-General to the General Assembly prepared pursuant to resolution 50/227, annex I, section I, paragraph 17, to which UNDP is making a separate contribution, only a few comments on this subject will be made here. UNDP has recognized that private resource flows now dwarf official development assistance and, as part of its resource mobilization strategy, is seeking to tap the private sector as an additional source of funding without compromising any of the principles of neutrality in multilateral assistance. In 1996, it developed draft guidelines for use in accepting private sector contributions.

37. The governing bodies may wish to take note of the situation of UNDP as regards core and non-core funding and reaffirm the fundamental importance of core funding, encouraging continued support by all contributors to the UNDP core fund, while recognizing that if core resources increase, non-core resources will also grow. In line with legislation such as that reflected in Executive Board decision 95/23, the governing bodies may also wish to encourage UNDP and its sister bodies to seek out actively new sources and modalities of funding, including those countries outside the group of traditional donors whose capacity to contribute to international development cooperation has increased in recent years.

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PART THREE

FOLLOW-UP TO ECONOMIC AND SOCIAL COUNCIL RESOLUTION 1996/36 AND TO DECISIONS TAKEN AT MAJOR INTERNATIONAL UNITED NATIONS CONFERENCES INCLUDING IMPLEMENTATION OF THE PROGRAMMES OF ACTION ADOPTED BY THEM

38. In 1996, UNDP participated in all four of the inter-agency groups established by ACC to constitute an integrated framework for follow-up to the major United Nations conferences, in which it is recognized that the results of the conferences are complementary and that follow-up with regard to specific themes must take the results of all the conferences into consideration. Following the World Summit for Social Development, UNDP moved to make poverty eradication the central area of focus within its concentration on sustainable human development. That area has also been identified as the theme which cuts across all the major conferences. UNDP and the resident coordinators it supports moved in 1996 to assist countries in developing comprehensive anti-poverty strategies and to promote coordinated United Nations support of those strategies.

39. The prime purpose of the inter-agency groups is to ensure that headquarters-level support is provided to resident coordinators and United Nations country teams so that they may effectively assist national Governments and institutions in their pursuit of the goals and commitments of the major United Nations conferences. At the country level, the goal is to move to a new phase of inter-agency coordination, which is viewed as goal-oriented rather than mere information-sharing.

40. The four groups include one on basic social services for all, which is chaired by UNFPA; one on employment and sustainable livelihoods, chaired by ILO; one on an enabling environment for economic and social development and one on women and gender equality. After presenting the integrated framework for follow-up to United Nations conferences to OECD/DAC at the high-level meeting held in 1996, the Administrator of UNDP organized a meeting with the Chair of OECD/DAC and the chairs of the ACC inter-agency groups. It was agreed that a joint plan of work would be developed to ensure complementarity of efforts in the implementation of the strategy outlined in the OECD/DAC publication entitled "Shaping the 21st Century" and of the integrated framework for follow-up to United Nations conferences, both of which have essentially the same goals.

41. At country level, UNDP provided direct funding for activities of the resident coordinator system for conference follow-up. In India, for example, a United Nations inter-agency support unit was established as part of the resident coordinator's office to help shape a common framework for United Nations agencies. United Nations agencies in Kazakhstan have established four thematic groups responsible for follow-up to United Nations conferences. These groups deal, respectively, with social services, sustainable development, employment and the advancement of women. United Nations agencies in Nigeria have set up five thematic groups to work in the areas of poverty eradication, social development, capacity-building, job creation and sustainable livelihoods, and sustainable agriculture and environmental development. The United Nations
country team in the Philippines is supporting the Government's social reform agenda, an integrated plan which includes the outcomes of a number of United Nations and national conferences. The local task-forces established mirror those at global level. Additionally, UNDP continued in 1996 to provide the secretariat for the United Nations Special Initiative for Africa (UNSIA) designed to facilitate the implementation of the United Nations New Agenda for the Development of Africa (UN-NADAF) and of action relating to Africa called for in major United Nations conferences.

42. With the endorsement, in General Assembly resolution 50/227, of the modality of small inter-agency task forces as a central working tool of ACC in order to develop joint inter-agency programmes at operational levels, UNDP will continue to contribute financial and human resources to the support of such inter-agency groups both at headquarters and the country level.

43. The governing bodies may wish to take note of the progress achieved by UNDP and other United Nations funds, programmes and agencies in the integrated follow-up to conferences and to encourage the full integration of all conference follow-up activities, including those of the World Food Summit, into the common ACC framework and the resident coordinator system at the country-level as called for in legislation such as General Assembly resolutions 50/227 and 51/171.

PART FOUR

FOLLOW-UP TO ECONOMIC AND SOCIAL COUNCIL RESOLUTION 1996/43

44. UNDP achieved significant progress in 1996 pursuant to Economic and Social Council resolution 1996/43, as reflected in particular by new agreements with the International Monetary Fund (IMF) and with the World Bank and by continued cooperation at country level in several notable cases.

45. In July 1996, an important joint letter addressed to the staff of IMF and that of UNDP on cooperation between the two organizations was signed by their two executive heads, who called on their members to collaborate more closely on new and ongoing technical assistance, country strategy notes (when requested by Governments) and policy framework papers and stressing the need for greater collaboration in post- and near-crisis countries and in countries engaged in programmes involving market-oriented reforms and transition.

46. The major development in the collaboration between UNDP and the World Bank was the signing of the World Bank/UNDP aid-coordination agreement, which, while focusing primarily on the complementary roles of the Bank and UNDP in round-table and consultative group meetings, also introduced new language on other types of aid-coordination meetings, capacity development, the role of non-governmental organizations (NGOs) and the private sector, the World Bank Special Programme of Assistance (SPA) for Africa and post-conflict situations. This agreement is the framework for the implementation by UNDP of paragraph 17 of resolution 1996/43 which calls on the United Nations development system and the Bretton Woods institutions to improve their cooperation in the preparation,
discussion and follow-up to round-table and consultative group meetings held to promote discussions of policy.

47. A joint working group on poverty monitoring composed representatives of the World Bank, UNICEF and UNDP met in October 1996 to discuss a joint poverty-monitoring home page on the Internet, testing the Core Welfare Indicator Questionnaire (CWIQ) in the field and devising a participatory poverty assessment as part of an integrated poverty-monitoring system. A consultative group to assist the poorest (CGAP) was established in June 1996. Both UNDP and the United Nations Capital Development fund (UNCDF) are members of this group, which focuses on micro-finance. The World Bank and UNDP also signed a memorandum of understanding to reinforce their working relationship as regards technical cooperation for national capacity-building in the areas of monitoring and evaluation.

48. Another important area for collaboration among UNDP, the World Bank and the United Nations Environment Programme (UNEP) continues to be the Global Environmental Facility (GEF). At the eighth GEF Council meeting, which was held in October 1996, the UNDP $50.5 million work programme covering seven national and three regional projects was approved.

49. Project preparation and implementation continues to be an important form of collaboration between UNDP and the World Bank at country level. Typically, by funding consultants and studies, UNDP helps to prepare investment projects for subsequent World Bank financing. In addition, Governments have decided to use the proceeds of the technical cooperation components of World Bank loans as cost-sharing contributions to UNDP projects in the same sector. From the point of view of the borrowing countries, the main advantage of such arrangements from is the expeditious implementation, through UNDP involvement, of those components of investment projects.

50. Another achievement in the area of country-level collaboration was the performance, by the Office of United Nations Support Services (OUNS), of a survey, in which 105 resident coordinators took part on the status of relationships between the United Nations and the Bretton Woods Institutions. The summary report on this survey revealed a good and close relationship overall, but it also noted a desire on the part of many resident coordinators to be kept better informed of country-level missions and consultations by the Bretton Woods institutions, especially in matters of system-wide concern.

51. The working group of United Nations senior officials on strengthening collaboration between the United Nations and the Bretton Woods Institutions continued to meet and produced a report containing concrete recommendations in such areas as countries in special circumstances, exchange of information, country-level collaboration and policy coordination and reporting to intergovernmental bodies. The report will serve as an input in the reports of the Secretary-General to the Economic and Social Council and the General Assembly in this area.

52. Thus the scope of UNDP/Bretton Woods collaboration is becoming increasingly substantive and oriented more and more towards policy, in keeping with the
provisions of resolution 1996/43. This represents a move away from the traditional relationship, in which UNDP basically provided funding for technical assistance executed by Bretton Woods institutions.

53. The governing bodies may wish to take note of the achievements of UNDP in the area of relations with the Bretton Woods Institutions and to encourage the realization of further progress in the emerging area of substantive dialogue at policy level, in addition to continuing with traditional cooperation in project preparation and implementation.