Annual report of the Administrator for 2000

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I. Introduction

1. The year 2000 saw dramatic change in UNDP on both management and programme fronts, in fulfilment of the Administrator's vision and in response to significant new challenges and opportunities in the global development arena. Internal reforms are still under way but there is much progress to report.

2. The year was also characterized by the further coalescing of the international campaign to eradicate poverty, with a clear focus on promoting pro-poor economic growth and more inclusive globalization. This convergence of donor and programme countries was expressed and shaped in a multitude of forums marking the new millennium; in several major reports that addressed the nature of economic growth; and - perhaps most visibly - in the rising demand for and by the poor themselves to be given a voice in shaping their own development.

3. Three major initiatives set the tone for UNDP in 2000. The first was the ongoing implementation of the Administrator's Business Plans, 2000-2003, which were submitted to the Executive Board at its first regular session 2000. Second, through the United Nations Millennium Declaration adopted in September 2000, world leaders committed themselves to a demanding set of objectives and targets, for many of which UNDP is uniquely placed to serve as catalyst and advocate. Third, the first Ministerial Meeting on UNDP was held in New York on 11 September. This unprecedented event saw ministers for development cooperation and foreign affairs from donor and programme countries express their strong support for the changes under way in UNDP.

4. These three events and the growing consensus underpinning them have generated a challenging agenda for UNDP. It has as its centrepiece the international development targets set at the World Summit for Social Development in Copenhagen in March 1995 and reaffirmed at the Millennium Summit. Achieving these targets will require concerted effort by all stakeholders in developing countries, in donor countries and in international institutions. UNDP has a special role in ensuring that the efforts of the United Nations and its partners are focused and effective. Underpinning all action are partnerships to fight poverty, with UNDP helping to lead the way, as demonstrated by the initiatives it undertook in 2000.

5. Building on the results-oriented annual report (ROAR), the present document highlights the key components of the vision underpinning the Administrator's Business Plans: policy and focus; partnerships; people; and performance. Chapters IV and V contain information on resources and the UNDP-associated funds and programmes.

II. Vision

6. The global population had just reached six billion, at the beginning of 2000, of whom some five billion live in developing countries or in countries with economies in transition. More than one billion people subsist on less than one dollar a day. Poverty is a very old problem but, on the cusp of the millennium, it has new prominence: the massive inequities in the distribution of wealth, opportunity and chances in life have become a global priority. Globalization was a major preoccupation of the last decade but since the global financial crises of 1997-1998, there has been a burgeoning sense that globalization has a downside. These concerns surfaced at the World Trade Organization (WTO) Seattle Ministerial Conference during efforts to initiate a millennium round of comprehensive trade negotiations and elsewhere; they found more constructive voice at the Millennium Summit, where world leaders pledged to right the balance.

7. Globalization presents opportunities for growth and progress in developing countries but these opportunities are not easily seized. Far from occasioning an equal distribution of its benefits, either between or within countries, unbridled globalization can exacerbate inequity and exclusion. The challenge is to help developing countries position themselves to harness the potential of globalization in a way that maximizes pro-poor growth and equitable distribution of its benefits, without overly constraining their policy choices or forcing them into a straitjacket of social and macro-economic conditionalities. The realities of globalization and of the information age do not mean that policy choices in key areas are somehow predetermined or impervious to the voices and choices of their supposed beneficiaries.

8. UNDP core business is the promotion of policy options for developing countries. A trusted source of knowledge-based advice and an advocate of a more inclusive global economy, UNDP provides funds and helps developing
countries to attract aid and use it effectively. While the volume and influence of official aid flows is small compared with the other factors affecting development, the role of a development agency such as UNDP is not only to advocate for pro-poor choices and voices in how aid is directed but to do the same with respect to all the other factors that influence development, such as private capital flows and international trade. UNDP is the developing country's development agency. Its very existence as an advocate for the poor in the international arena is valued by programme countries.

9. Understanding how globalization shapes and constrains the choices facing communities about their development is not easy. Major debates took place during 2000 on issues such as debt relief, the quality of economic growth, the nature of the global HIV/AIDS crisis and the links between development and peace; these debates revealed the complexity of issues facing developing countries today and the variety of opinions as to how they should tackle these challenges. The stark fact that countries with identical growth rates can have wildly varying rates of poverty reduction demonstrates the consequence of the policy choices they make. The need for a trusted partner, who provides quality advice, informed not only by cutting-edge thinking from the experts but equally by the opinions of the real stakeholders, the poor, is starker than ever. UNDP is well positioned to play that role and much of the institutional change undertaken in 2000 has been with that objective in mind.

Millennium Summit

10. The United Nations used the occasion of the change of millennium to convene an unprecedented number of world leaders in New York for a series of high-level events in September 2000. In attendance were 147 heads of State and Government and 191 nations in total. A range of consultations with civil society and religious leaders from around the world was organized in the months preceding the Millennium Summit in an effort to broaden and deepen the debate. The debate at the Millennium Summit was a keen reminder of the concerns of the majority of the world's population; issues such as globalization, debt relief, environment, the digital divide, global governance, sovereignty and poverty eradication held sway and were ultimately incorporated the Millennium Declaration.

11. The Millennium Declaration put poverty at the centre of the international community's goals for the next century. In it, world leaders committed themselves to a host of visionary targets for tackling poverty, disease and underdevelopment. These targets are designed to capture the opportunity of global development in the twenty-first century. They shift the focus from inputs to results and, in so doing, set the United Nations and UNDP, in particular, a mammoth task for the coming years. The United Nations system is now poised to help to develop and drive a new campaign at global, national and community levels to monitor and benchmark the results.

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<th>Box 1. Millennium Declaration: Key commitments and targets</th>
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The Millennium Declaration is a landmark document. Adopted at the Millennium Summit - held from 6 to 8 September 2000 in New York - it reflects the concerns of 147 heads of State and Government, and 191 nations in total, who participated in the largest-ever gathering of world leaders. The Declaration was developed over months of talks, with consideration given to the regional hearings and the Millennium Forum, which allowed people's voices to be heard. Covering key areas of the United Nations work around the world, the world leaders set specific targets, reinforcing the international development goals that emerged from the global conferences of the 1990s and infusing them with new resolves:

- To halve, by the year 2015, the proportion of the world's people whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water.

- To ensure that, by the same date, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education.

- By the same date, to have reduced maternal mortality by three quarters, and under-five child mortality by two thirds, of their current rates.

- To have, by then, halted, and begun to reverse, the spread of HIV/AIDS, the scourge of malaria and other major diseases that afflict humanity.

- To provide special assistance to children orphaned by HIV/AIDS.
By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the “Cities Without Slums” initiative.

To promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable.

To develop and implement strategies that give young people everywhere a real chance to find decent and productive work.

To encourage the pharmaceutical industry to make essential drugs more widely available and affordable by all who need them in developing countries.

To develop strong partnerships with the private sector and with civil society organizations (CSOs) in pursuit of development and poverty eradication.

UNDP has a unique role as catalyst and advocate in fulfilling the goals of the Millennium Declaration.

Ministerial Meeting

12. The Ministerial Meeting on UNDP was held on 11 September 2000. Never before in UNDP history had so many high-level representatives from both programme and donor countries come together to talk about the role, performance and future of UNDP. Participants included over 40 ministers of foreign affairs and of development cooperation, in addition to many secretaries of State, ambassadors and senior officials. In all, 67 countries were represented, 45 from programme and 21 from donor countries. The purpose of the meeting was to consult partners in Governments on the direction of the new UNDP and to seek ways to boost recognition and support for UNDP at the country level and in key international forums.

13. Five themes dominated the proceedings: first, strong support for the United Nations role in development and for the need to rebuild political will in support of that role; second, the extraordinary consensus among both programme and donor countries on the new direction and reforms at UNDP; third, that UNDP has comparative advantages, above all the trust of developing countries, that must be preserved and used as the basis to catalyse partnerships; fourth, the need to continue the steps UNDP is taking to improve performance and deliver results, without compromising its comparative advantages; and fifth, the need to resolve the UNDP resource situation. Many participants chose to highlight the irony of the declining core resource base of UNDP in the context of the emerging global consensus around the campaign to end world poverty. The multilateral character and universal presence of UNDP make it an ideal vehicle for catalysing action on the anti-poverty targets reaffirmed at the Millennium Assembly. Perhaps the most compelling interventions at the Ministerial Meeting were those of programme country ministers, who described candidly - even passionately - the support that UNDP provides to their people.

Box 2. Excerpts from the speech of the Secretary-General to the Ministerial Meeting on UNDP, 11 September 2000

Development has been one of the main tasks of the United Nations from the very beginning ... You have to understand what it is that makes the United Nations Development Programme’s services so uniquely valuable. Part of it is that UNDP is a universal network, present in virtually every developing country. That makes it uniquely well placed to tell people in one country what has worked and what has not worked in another - what problems are likely to arise if you adopt a particular policy, and how you can get around them ... Countries need this kind of help and advice more than ever today, in the age of globalization, when events move very fast, and choices have to be made very quickly ... [UNDP] is especially well placed to help because it is the heart of the United Nations system. As you know, the United Nations Development Programme Resident Representative in each country is also charged with coordinating the work of the local representatives of the United Nations Children’s Fund, the United Nations Population Fund, the World Food Programme, the World Health Organization, and the High Commissioner for Human Rights. Increasingly, the country offices of all these bodies are housed in the same building – “the United Nations House” – just as here in New York they are all represented in the United Nations Development Group ... This effort to bring greater coherence to the work of the United Nations throughout the world is at the heart of my reform programme. I look to the United Nations Development Programme to provide leadership and bring all the different agencies together ....
Through the United Nations Development Programme, the United Nations is present all over the world, and is seen to be dealing with the actual problems faced by the great majority of the world's people. Never has the United Nations Development Programme's work been more important. Never, I believe, has it been better organized to do that work than it will be when the current reform has taken full effect. Never has it so much needed your support, or deserved your sympathetic guidance.

Business Plans

14. In order to meet the challenges posed by the new realities described above, UNDP, in partnership with the Executive Board, has been undergoing a radical process of renewing its vision and substantive profile. The goal of the Administrator's Business Plans for 2000-2003 is to ensure that UNDP has the policy expertise, key partnerships and internal capacity to deliver its services effectively. Transformation is taking place around the five dimensions of UNDP operations: a strengthened policy capacity; expanded partnerships within the United Nations and with external actors and institutions; enhanced competencies of UNDP staff; better instruments to measure performance; and an expanded base for its development resources.

15. This involves the most intensive internal re-engineering and reform ever undertaken in UNDP. During 2000, a new environment was created, one focused on performance and results, and a leaner staffing structure was set in place. With a 14 per cent net reduction in the headquarters workforce - the full target of 25 per cent to be reached by the end of 2001 - UNDP succeeded in reducing numbers of staff in New York to under 1 000. In addition to this overall reduction, the Bureau for Development Policy (BDP) was fundamentally reorganized and 100 of its posts identified for relocation to the field. Two hundred and forty-two staff members opted for agreement separation and the Leadership for Development Programme was launched, starting the process of organizational renewal through the recruitment of 20 early career professionals.

16. A corporate plan, based on priority goals for 2001 and derived entirely from the business plans framework and the balanced scorecard was produced while the strategic results framework (SRF) and the ROAR were refined. This provides a much higher level of accountability for senior managers by identifying specific indicators and targets for each strategic objective and strategic initiative of the Business Plans. The balanced scorecard system has been finalized and is being populated with initial data in the first half of 2001. This will provide, for the first time, an objective series of measures on which to assess transformation in the organization. A results-based approach of linking resources to plans has also been introduced for headquarters and country offices. Under the new approach, the annual unit budget planning and allocation process has been structured in a manner that will foster cost consciousness, direct the use of resources towards goals and needs and provide incentives to leverage available resources.

Box 3. Highlights of the implementation of the Business Plans

- Appointment of three new regional bureau directors.
- 14 per cent net reduction in the headquarters workforce.
- Restructuring of BDP and identification of 100 posts for relocation to the field.
- Agreed separation for 242 staff members.
- Launch of Leadership for Development Programme through recruitment of 20 new early-career professionals.
- Internalization of results-based management (RBM) concepts and tools in programming and management by revamping and building on the SRF/ROAR and introducing the balanced scorecard approach.
- Country office re-profiling exercise undertaken.
- Creation of a new environment of performance measurement and accountability with a new personnel evaluation system, including a 360 degree review throughout the organization and the new country surveys and management plans.

17. At the regional level, implementation of the Business Plans is guided by the model provided by the Latin America and Caribbean region-wide strategy, developed in a year-long consultation process with resident representatives. The strategy introduces clear criteria to focus efforts and resources on the areas where highest value can be added by matching greatest need with UNDP services.

18. The realignment of UNDP policy and capacity with the demand for an upstream, advisory and advocacy-oriented entity that is highly networked and field-based has also necessitated a shift in policy emphasis. Assembling and
steering international partnerships to fight poverty, UNDP can provide expertise in the following areas: poverty reduction and pro-poor growth strategies; democratic governance; crisis and post-conflict situations; HIV/AIDS; gender; information technology for development; and energy and environment.

III. Results

A. Policy and focus

19. The first ROAR, submitted to the Executive Board at its annual session 2000, marked a decisive step forward in the adoption of RBM in UNDP. The experience of the first ROAR has led to refinement of the SRF, the development of a corporate database and intensive training for country office staff. The ROAR 2000 (DP/2001/14/Add.1) benefited from a refined methodology based on improvements made in 2000 to RBM as well as higher quality data, better reporting and clearer goals. Data from the ROAR is included throughout the text that follows.

**Box 4. Trends from the ROAR 2000**

- Greater effort is being made to incorporate poverty reduction, gender issues, decentralization and human rights in governance programmes. Human rights and decentralization are particular growth areas.

- Programmes that support the spread and application of information and communications technologies (ICT) - especially capacity-building for the use of ICT in the more effective delivery of public services - are growing across all regions. However, the majority of results are still downstream in nature and do not capture a clear organizational niche.

- The main work and best results of UNDP are in support of poverty reduction strategies and the monitoring of poverty. Assistance in the Poverty Reduction Strategy Paper (PRSP) process increased.

- HIV/AIDS received far greater priority in 2000, with 55 country offices reporting, up from 32 in 1999.

- In contrast to 1999, ROAR data indicate stronger cross-fertilization between governance and poverty programmes.

- The national human development reports are successfully evolving from being primarily a policy advocacy tool to being a basis for ongoing policy advice and dialogue.

- The environment. A strong practice area; despite progress made during 2000, UNDP was still largely at the stage of establishing the foundation for accelerated action by national and international stakeholders, as was the case in 1999. There appears to be relatively less emphasis in 2000 on securing sustainable domestic sources of financing and on monitoring environmental conditions. The data confirms the importance of the Global Environment Facility (GEF) in providing direction and resources for important components of the UNDP portfolio.

- Gender. There are signs of improving linkage and coherence in country-level activities on gender. A substantial number of interventions reported in 2000 cut across the two sub-goals in this thematic category, linking national action and implementation of international commitments, thus bringing together the two principal dimensions of the UNDP mandate in this area and offering a good basis for efforts during the SRF period. The data for 2000 also suggest progress in gender-mainstreaming in UNDP cooperation.

- Crisis and post-conflict situations. This development dimension was a prominent feature of UNDP work during 2000 as in 1999. Disaster mitigation, mine action and community-based recovery work remain the most notable and visible areas of assistance. Weak areas in UNDP work in crisis environments include partnerships and cross-border approaches. While the ROAR data for 2000 show improved reporting and delineation of activities, there remain some continuing analytical gaps requiring further work.

- UNDP support to the United Nations. This has grown in importance in light of the new impetus from the Millennium Declaration, but the evidence of progress on the United Nations reforms is mixed. On the one hand, both the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) are contributing to team-building and providing a platform for conference follow-up - the UNDAF, in particular, is also being used as a springboard for joint programming, which appears to be on the increase. The data also point to increased restructuring, refocusing and substantive utilization of thematic groups. In addition, there is a reported narrowing in the focus of United Nations system collaboration towards HIV/AIDS, gender and human
rights. On the other hand, the inadequate quality of CCAs and UNDAFs is seriously limiting the impact of these instruments. The ability of United Nations specialized agencies, funds and programmes, to tackle this issue is, however, hampered by the lack of progress at headquarters on reducing procedural complexity.

- There are four major issues regarding follow-up to the global conferences: (a) country-level initiatives are collectively too varied to achieve the critical mass necessary for worldwide impact; (b) there is limited cross-regional evidence of either national-level target-setting or systematic monitoring of follow-up; (c) evidence on the integrated follow-up to conferences is sparse; and (d) the degree of national ownership does not appear to be high overall.

**Poverty eradication and the promotion of pro-poor growth strategies**

20. Galvanized by the campaign for a renewed international effort at poverty eradication, UNDP has continued its strong support to national poverty-reduction strategies, which it had systematically begun doing after the World Summit for Social Development of 1995. The ROAR 2000 analysis found that the development and implementation of poverty-reduction strategies (concentrated on upstream advice) and poverty monitoring (focused downstream on capacity-building) were the most successful and revealed the highest levels of outcome and output performance.

21. In sub-Saharan Africa, UNDP support focused particularly on the preparation of national poverty-reduction strategies, including PRSPs. UNDP support to developing or advocating for macroeconomic policy options was also concentrated in sub-Saharan Africa (7 country offices). In Latin America and the Caribbean, country offices were also active in supporting national poverty-reduction strategies, often at the early stages of advocacy, preparing sectoral or thematic studies and monitoring. In the Asia and the Pacific region, the majority of support was directed towards poverty monitoring (10 countries). In the Arab States, UNDP support was largely in areas such as training, local or sectoral strategies and monitoring. Support to Europe and the Commonwealth of Independent States did include developing comprehensive national strategies, typically at the initial stages.

22. As reflected in the ROAR 2000, many countries approached UNDP for assistance in formulating PRSPs. In order to share experiences and identify best practices, UNDP held three major regional workshops on PRSPs for UNDP country office staff and their government counterparts—two in sub-Saharan Africa (in Mauritania in January and in the United Republic of Tanzania in September) and one in Asia (in Cambodia in November). Civil society and multi- and bi-lateral organizations were also represented at these workshops. The workshops highlighted the role of UNDP in reinforcing national ownership of the poverty-reduction strategies, supporting broad popular participation in formulating such strategies and improving United Nations and donor coordination in providing external assistance to them.

23. In April 2000, UNDP published *Overcoming Human Poverty: UNDP Poverty Report 2000;* this second global report detailed the progress that countries had made in estimating poverty, setting targets for its eradication and implementing strategies to reach those targets. UNDP country offices have been instrumental in providing support to over 100 countries for capacity-building and policy formulation in these areas, especially through its previous Poverty Strategies Initiative (PSI), a multi-donor programme launched in 1996 specifically to assist countries in implementing their commitments at the World Summit. UNDP undertook a major evaluation of PSI in 2000 to draw important lessons for its future support.

**Box 5. Overcoming human poverty: Main messages of UNDP Poverty Report 2000**

- A new global strategy against poverty needs to be mounted - with more resources, sharper focus and stronger commitment - based on the commitments made at the 1995 WSSD.
- Anti-poverty plans need to be comprehensive - much more than a few projects targeted at the poor.
- Anti-poverty plans should be nationally owned and determined - not donor driven.
- A new generation of poverty programmes is needed to focus on making growth more pro-poor, to target inequality and to emphasize empowering the poor.
- Countries should link their poverty programmes not only to their national policies but also to their international economic and financial policies - a connection rarely made.
- Responsive and accountable institutions of governance are often the missing link between anti-poverty efforts and poverty reduction.
Campaigns against poverty have often bypassed and ignored local government and have thus hampered their effectiveness in benefiting the poor.

The foundation of poverty reduction is self-organization of the poor at the community level. This is the best antidote to powerlessness, a central source of poverty.

Effective targeting follows from empowerment, not the other way around.

A general weakness of poverty programmes is their lack of integration, due in large part to being organized as a set of targeted interventions unconnected to national policies.

Countries need a comprehensive but workable monitoring system to gauge their progress against poverty.

24. *Overcoming Human Poverty* was written and issued partly in preparation for the five-year review of WSSD outcomes undertaken by the General Assembly in Geneva in June (the Geneva 2000 Forum), for which UNDP also prepared a series of special conference papers and held meetings to present these papers.

**Democratic governance**

25. As recognized in the Millennium Declaration, creating an environment that is conducive to human development and to the elimination of poverty depends on good governance. This link was a special theme of *Overcoming Human Poverty*, in which it was stated that governance is the missing link between growth and poverty reduction. The ROAR 2000 analysis bore this out, indicating stronger cross-fertilization in 2000 between governance and poverty programmes supported by UNDP, with the strongest linkages in Asia and the Pacific with results elsewhere also. In Nigeria, for example, the Government formulated and approved a comprehensive national governance programme for sustainable human development. Poverty-reduction activities were integrated into governance in areas such as dialogue and cooperation for sustainable, equitable growth; globalization; and access to justice.

26. In 2000, UNDP worked to expand democratic governance both within and between countries. In key areas such as governing institutions, human rights, decentralization, public-sector management and cross-cutting areas such as gender, UNDP provided advice and technical support to authorities, civil society and communities of the poor. For example, UNDP supported CSOs in their fight against corruption in Bulgaria, Brazil, Latvia, Trinidad and Tobago and through the Partnership for Transparency Fund (PTF). In Mauritania, UNDP helped to increase coordination between non-governmental organizations (NGOs) by supporting the creation of the Civil Society Cyberforum, which includes mayoral associations, journalists and NGOs. In Morocco, in collaboration with a local NGO dealing with transparency issues, UNDP provided support in decentralizing the audit and accounts body for better auditing and oversight of government-administered budgets at the local levels and strengthened the capacity and restructuring of the Supreme Court for better oversight of the judicial system.

27. Provision of advisory services to legislative, electoral, justice and human rights institutions and processes remained important in 2000. In Ethiopia, for example, UNDP trained 200 members of parliament on parliament's role in the budget process. At the global level, UNDP consolidated lessons learned from legislative development programmes. UNDP also provided policy advice and technical services to countries organizing elections, helping to draft the legal framework of the Election Commission in Rwanda and providing 48 NGO networks with financial and/or technical capacity assistance to observe the presidential elections in Mexico. In Bangladesh, UNDP provided 98 million manuals, booklets and forms for nation-wide voter registration and trained approximately 829,000 voter registration enumerators, electoral personnel and election officers. Also at the global level, UNDP and the Electoral Assistance Division of the Department of Political Affairs jointly reissued the set of guidelines on providing coordinated support in electoral systems and processes.
28. UNDP work in judicial reform and accessibility over the past year has responded to a major paradigm shift in which law and justice are seen not only as prerogatives of the State, but as citizens’ rights. Access to justice for the poor, vulnerable and socially disenfranchized segments of the population underpins over 60 projects in 17 countries where UNDP is developing new constitutional architecture. UNDP is also working to strengthen legal aid systems, fund public-awareness campaigns, disseminate jurisprudence decisions, fund NGOs, train journalists, train judges in governance and globalization, and promote alternative dispute-resolution mechanisms. For example, UNDP worked with Lithuania to develop the new penal code, allowing for more alternatives to the imprisonment of juveniles.

29. The year 2000 was one in which the place of human rights in UNDP policy and programming was confirmed, not least because it was the theme of the Human Development Report 2000. This finding emerges in the ROAR 2000, which shows activities under way in almost 50 country offices. The UNDP human rights strengthening (HURIST) programme with the Office of the High Commissioner for Human Rights (OHCHR) increased its scope of operation during 2000, deploying United Nations Volunteers (UNV) human rights specialists in 11 UNDP country offices and undertaking programming in 15 other countries. In Madagascar, UNDP helped to develop the capacity of key civil society actors in human rights promotion and in Lebanon, UNDP is working to integrate a rights-based approach into national development and oversight bodies.

30. Support for decentralization and local governance (urban and rural) processes that give greater control to local populations to meet demands for governance, service delivery and social investment is another component of UNDP governance programming. The ROAR analysis showed decentralization emerging as a key focus area in 2000, compared to 1999, when reporting was relatively low. Thirty-nine per cent of all country offices undertook programmes to strengthen the capacities of local government for participatory development planning and resource management, with an average achievement rate of 71 per cent of output targets. In Ethiopia, UNDP helped to train 3,400 people in management and administration at district and sub-district levels. In Kyrgyzstan, UNDP supported the development of two laws on strengthening local self-government that were submitted to the parliament. In Somalia, UNDP provided technical cooperation in planning and managing urban development, especially in the urban water-supply systems. Regional programmes are also being implemented by the Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) and the Regional Bureau for Latin America and the Caribbean (RBLAC), a global decentralized governance programme is also under way.

31. Improving the efficiency of the civil service in an effort to promote human development and advising Governments on policy ideas to build institutional capacity for accountability, transparency and integrity in governance have been key features of UNDP governance work in 2000. In Nigeria, UNDP helped to lay the groundwork to bring together donors and partners to support the new Anti-Corruption Commission and to develop an anti-corruption action plan. In Jordan, UNDP is enhancing the efficiency of the public sector through pilot programmes in computerizing customs and property tax systems and supporting a national plan for e-governance. In Bangladesh, UNDP leveraged seed resources to collaborate with the World Bank in undertaking the Country Financial Assessment and Accountability report, which provided an in-depth analysis of and recommendations on how to improve accountability and transparency. UNDP also continued its strategic interventions in the Europe and the Commonwealth of Independent States region, via accountability assessment and formulation missions in Kyrgyzstan, Russia, Slovenia and Ukraine.

Box 7. Scenario-building in Latin America

As part of its 2000-2005 region-wide strategy in Latin America and the Caribbean, UNDP is sponsoring a major effort to research, develop and promote civic scenarios as a tool for consensus-building, policy-making and governance. UNDP convened an international workshop on the subject from 8 to 10 November 2000 in Antigua, Guatemala.

Scenario-building was first developed as a way to form strategy in the private sector. UNDP commissioned a major research project to feed into the Guatemala meeting, asking researchers from the Society for Organizational Learning and the Massachusetts Institute of Technology to write learning histories of civic scenario projects in Colombia, Guatemala, and South Africa.

Participants in the Guatemala meeting included 11 resident representatives and distinguished civic leaders from around the world, including members of scenario-building project teams from Colombia, Guatemala and South Africa as well as participants from the University for Peace and the War-torn Societies Project.
32. UNDP is leveraging ICT to improve democratic governance in multiple ways, something that emerged clearly in the ROAR 2000. In Bhutan, for example, the UNDP Information Network for Good Governance project supports the Planning Commission of Bhutan in the collection, sharing and dissemination of data and information to the public and promotes access to the information by the people. In Estonia, a UNDP Internet programme has facilitated the provision of a wide range of online government services. The goal is eventually to make the entire legislative process transparent and give people an opportunity to comment publicly on draft laws. In the United Republic of Tanzania, UNDP is supporting the creation of "Tanzania-on-line", a web site that sets a participatory tone by informing the public about progress in development. In Egypt, UNDP is providing support to reform the policy, legal and regulatory framework so as to expand connectivity substantially and make ICT accessible to the poor.

33. Upstream work was evident in the ROAR 2000 analysis of governance, where the aim of 50 per cent of outcomes is to influence strategy and policy options relating to sustainable human development. UNDP organized several international conferences to promote dialogue on issues of concern to programme countries, including one on governance at Hanover EXPO 2000. The seminar on Globalization and South-South Cooperation held in Kuala Lumpur, Malaysia, from 12 to 14 December sought to provide developing countries with a better understanding of how to respond to economic globalization individually and collectively. UNDP also supported the organization of two major international conferences to promote democracy—the Ministerial Conference “Information Society: Accelerating European Integration”, held in Warsaw, Poland, on 11 and 12 May, and the Fourth International Conference on New or Restored Democracies, held in Cotonou, Benin, from 4 to 6 December.

Gender

34. The year 2000 was important from a gender perspective because it saw: (a) the twenty-third special session of the General Assembly held from 5 to 9 June (Women 2000: gender equality, development and peace for the twenty-first century) for the five-year assessment of the implementation of the Beijing Platform for Action (PFA); (b) the twenty-fourth special session from 26 to 30 June (WSSD and beyond: achieving social development for all in a globalizing world) to review and assess the implementation of the outcome of WSSD; and (c) the launch of Overcoming Human Poverty: UNDP Poverty Report 2000, which contained some significant findings on the need for greater mainstreaming of gender issues in poverty eradication strategies, an objective to which UNDP is renewing its commitment.

35. UNDP provided support to many Governments in the preparation of national reports for Beijing+5 and worked closely with other United Nations organizations, within the Interagency Committee on Women and Gender Equality. This cooperation provided a more focused approach on emerging issues, such as legislation and implementation of the Convention to Eliminate All Forms of Discrimination Against Women (CEDAW), globalization and macroeconomics, gender and poverty eradication strategies, the use of ICT and the opportunities for the empowerment of women, paid and unpaid work and women in peace-building and post-conflict situations. Inter-agency cooperation resulted in increased coordination at the country level, assistance to the elaboration and implementation of national plans of action and preparation of national reports and additional funds for promoting national, especially civil society, representation at the twenty-third special session. In this effort, the collection of good practices and their dissemination was especially important. Together with the United Nations Development Fund for Women (UNIFEM) and working closely with a number of women's NGOs, UNDP emphasized linkages between Beijing+5 and Copenhagen+5. The data collected during these processes is captured and analyzed in the ROAR 2000.

36. From the perspective of UNDP, the main implication of the five-year review of the Fourth World Conference on Women was enhancing the accountability of all stakeholders with regard to showing measurable progress towards the commitments of the Conference. UNDP, in particular, is seeking to build the gender dimension into its policies, programmes and management. Efforts were made to include gender issues more explicitly into national human development reports, develop indicators and provide sex-disaggregated data for the CCA and UNDAF and the national human development reports, including the development of qualitative indicators on women's human rights, paid and unpaid work, and the strengthening of gender-budgeting initiatives. UNDP is particularly interested in indicators of women's vulnerability and gender inequalities for monitoring progress in the implementation of
CEDAW and the effectiveness of poverty-reduction strategies. Counterpart reports from civil society have been useful instruments for assessment and advocacy. UNDP is also supporting the development of tools for mainstreaming gender concerns across the work of international and regional organizations, for example through the Southern Africa Development Community (SADC)/UNDP training strategies.

37. The UNDP SRF maintains the corporate focus and accountability on gender equality as a strategic area of concern. At the same time, the gender dimension is being mainstreamed into other strategic areas, namely, governance, poverty eradication, crisis and post-conflict situations, environment and energy, and HIV/AIDS. UNDP has, therefore, opted for a two-pronged approach by mainstreaming gender into its policies and programmes and undertaking specific activities to bridge the gender gaps. UNDP has also facilitated North/South cooperation on gender empowerment issues among such CSOs as Kvinnoforum (Sweden) and four African NGOs in the Eastern and Southern Africa region, including the Community Development Foundation in Mozambique. UNDP will continue to develop an inclusive approach that helps to identify specific action necessary to bridge the gender gap. In this, UNIFEM is the key UNDP partner on issues relating to the advancement of women and gender equality, and the status of UNIFEM as an executing agency provides new opportunities to further this cooperation.
### Box 8. UNDP support to gender equality in decision-making processes [ROAR 2000]

<table>
<thead>
<tr>
<th>Areas of action</th>
<th>Progress reported</th>
<th>Countries</th>
</tr>
</thead>
</table>
| Policy dialogue to improve the condition of women | Revision of national gender strategies  
Facilitation of dialogue between government and civil society stakeholders  
Formulation of national and local legislation, e.g., law on equality, legislation against female genital mutilation | Algeria, Bulgaria, Cambodia, Egypt, Georgia, Honduras, India, Kazakhstan, Malawi, Nepal, Nigeria, Swaziland |
|                               | Training for government officials and parliamentarians for the elaboration of state policy on equality  
Facilitation of dialogue between government and civil society stakeholders  
Formulation of sectoral policies on gender equality, e.g., in agriculture |                                                                                   |
|                               | Establishment of gender focal points in government institutions and line ministries  
Training workshops for gender analysis for NGOs  
Training programmes at local levels for the participation of women in municipal and local elections  
Training workshops on how to include gender dimensions in national budgets | Albania, Cambodia, Georgia, Mauritius, Myanmar, Senegal, Sudan, Yemen |
|                               | Development of quantitative and qualitative indicators on gender for the inclusion into national plans  
Preparation of national statistical reports on gender equality  
Training for census bureaux  
Data collection disaggregated by sex and inclusion in national human development reports  
Data collection for the preparations of national reports on the implementation of Beijing PFA and CEDAW | Bolivia, China, Costa Rica, Estonia, Georgia, Jordan, Libya, Nepal, Romania, Saudi Arabia |
| Advocacy                      | Translation of Beijing PFA, national action plans and dissemination in local languages  
Media reporting on specific issues (e.g., TV programmes on legal issues of equality)  
Workshops to disseminate information and collected disaggregated data on gender to academia | Bangladesh, Islamic Republic of Iran, Latvia, Turkey |
| Poverty reduction             | Training for government officials on gender issues in the preparation of PRSPs  
Assistance to local women's organizations in poorest and most vulnerable municipalities for the formulation of poverty-reduction strategies at local levels | Burkina Faso, Burundi, Cambodia, China, Colombia, Djibouti, El Salvador, Gambia, Ghana, Guyana, Honduras, India, Kenya, Kiribati, Maldives, Mauritania, Mongolia, Mozambique, Nicaragua, Pakistan, Uzbekistan |

38. The ROAR 2000 reflects more comprehensive interventions in the area of gender, with more marked linkages in particular between policy, capacity-building and building broader social coalitions. With respect to mainstreaming gender in governance, in 2000 UNDP published the report, *Women's Political Participation and Good Governance: 21st Century Challenges*. The report, which was disseminated globally, is designed to help programme countries to promote greater women's involvement in political and economic measures, particularly through budgeting, and to strengthen national, regional and global networks for this purpose. An innovative partnership with civil society is described in the publication *Looking Ahead/Looking Around: The Dynamics of Gender Partnership in Africa*, which was also disseminated globally.
39. UNDP relies on its existing network of gender focal points at headquarters and a country office network of 134
gender focal points, gender advisors and 20 UNV gender specialists. In addition, the entire network is electronically
linked with the UNIFEM regional programme advisors and it interacts with the United Nations Population Fund
(UNFPA), the United Nations Children's Fund (UNICEF) and the network of gender focal points of other United
Nations organizations to avoid duplication and favour synergy. UNDP publishes the electronic Gender Beat

40. Another challenge for UNDP in 2000 was helping programme countries to ensure that national poverty-reduction
strategies and the associated PRSPs take full account of the feminization of poverty and women's own coping
strategies both for policy and implementation. UNDP country offices in countries under special development
situations have also reported in the ROAR 2000 increasing interventions in 2000 to support the advancement of
women and gender-mainstreaming in post-conflict environments. For example, UNDP facilitated the efforts of the
NGO Femmes Africa Solidarité in strategic interventions in Burundi and in the Mano River countries in West
Africa.

Crisis and post-conflict situations

41. Efforts to focus and improve UNDP work in crisis and post-conflict environments were undertaken with
renewed vigour in 2000. Prompted by the growing consensus on the links between poverty, violence and
natural disasters and in direct response to requests from many programme countries for expert advice and
programmatic support in these areas, UNDP expanded its activities in reintegration and recovery, peace-building,
mine action, natural-disaster mitigation and related areas. These activities were considered in detail by the Executive
Board at its first regular session 2001 (see document DP/2001/4 and the record of discussions contained in paragraphs

42. The ROAR indicates that the distinction between UNDP interventions in crisis and post-conflict situations and in mainstream development environments is becoming smaller. The ROAR also demonstrates strong evidence of interlinkages in achieving UNDP goals in its work in crisis and post-conflict situations.

43. Working with partners within and beyond the United Nations system, UNDP continued its support to war-affected
populations in places such as the Balkans, East Timor and Somalia and played a leading role in the response to
floods in Mozambique and land-reform discussions in Zimbabwe. In the context of the Report of the Panel on
United Nations Peace Operations (A/55/305-S/2000/809, known as the Brahimi Report) and preparations for
discussions with the Executive Board at its first regular session 2001, UNDP further clarified the conceptual
underpinnings of its work in these difficult environments. It also played a major role in the mobilization and
management of resources for crisis. In addition to $30 million of target for resource assignment from the core
(TRAC) line 1.1.3 resources, UNDP raised $43 million for the Trust Fund for Sustainable Social Development,
Peace and Support to Countries in Special Situations through the Government of Italy and $54 million for the Trust
Fund for Prevention, Crisis, Post-conflict and Peace-building Recovery through the Governments of Australia,
Italy, Netherlands, Norway and United Kingdom.

44. UNDP advanced its activities in the area of reintegration and rehabilitation of war-affected populations through an
increasingly integrated approach. Examples include the reconstruction of rural housing and micro-projects in
Liberia; disarmament, demobilization and reintegration in the Solomon Islands; and confidence-building and
rehabilitation processes in Kosovo. All of these programmes focus on capacity-building at national, local and
In the area of mine action, UNDP increased the number of countries in which national mine-action capacity-building projects are implemented from 12 in 1999 to 23 in 2000. The range of this support, which focuses on the development of the national capacity to manage and coordinate mine-action activities in the countries, varies in scope from countries such as Lebanon, where the project is still being designed, to the Lao People’s Democratic Republic, where a well-established programme has existed for years. UNDP endeavours to ensure a smooth transfer of responsibility from programmes initiated through country offices to national authorities. UNDP also commissioned the World Rehabilitation Fund (WRF) to address the socio-economic reintegration of landmine victims. Following field work in Cambodia, the Lao People’s Democratic Republic, Lebanon and Mozambique, WRF has developed a prototype of mechanisms and services that should exist to support the socio-economic reintegration of victims and pilot projects are being developed to support this goal. Capacity-building advice focused on providing advice on appropriate legislation and institutional structures, as well as assisting the establishment and operation of national mine-action centres, to coordinate mine-action activities, which can involve an annual budget from $5 to $30 million per year. A new initiative in 2000 was to develop and deliver management training for the senior national staff of mine-action programmes.

In the area of governance and rule of law, significant support was provided to the redesign of the rule of law programme in Haiti and the development of an indigenous justice system in East Timor. Pilot projects, with clear conflict-prevention objectives, have been designed in Bulgaria, Kyrgyzstan and Romania. Other examples include a regional project in Africa aimed at strengthening both government and NGO capacities and support for a new Organization of African Unity (OAU) mechanism on conflict prevention and resolution.

In the realm of natural disasters, UNDP responded to such incidents as the Orissa Cyclone in India, a cyanide spill in Romania and floods in Venezuela. In Mozambique, UNDP provided vital support to the Government in mobilizing a speedy, coherent international response to the devastating floods. UNDP further strengthened partnerships with regional organizations such as the Coordination Centre for the Prevention of Natural Disasters in Central America (CEPREDENAC), the Caribbean Disaster Emergency Response Agency (CDERA) and the Southern African Development Community (SADC) to facilitate the management and implementation of risk-reduction and disaster-management programmes. It also co-sponsored with the World Bank the launch of the ProVention Consortium, a partnership of international agencies, international financial institutions (IFIs), Governments, private and academic institutions and NGOs dedicated to disaster reduction and sustainable development.

HIV/AIDS

In 2000, the number of sufferers of HIV/AIDS worldwide passed 36 million. Global recognition of the size of the problem was articulated at the Security Council debate held in January 2000 on the security dimensions of the epidemic – where the Administrator addressed the Security Council for the first time ever – and at the Thirteenth International AIDS Conference held in Durban, South Africa. In response, UNDP intensified its efforts overall and strengthened HIV/AIDS as one of its critical areas of support to developing countries. With 55 country offices reporting in the ROAR on 66 HIV/AIDS-related outcomes, the number of country offices active in this area was shown to be almost double that in 1999.

As a co-sponsor of the Joint United Nations Programme on HIV/AIDS (UNAIDS), UNDP focuses on the governance challenge of mobilizing all actors and institutions well beyond the health sector, raising adequate domestic and international resources, and ensuring a scaled-up, coordinated response. As coordinator of the United Nations system activities at the country level, UNDP plays a leading role in promoting a coherent response in the context of the United Nations system strategic plan for HIV/AIDS for 2000-2005 and in the coordination of multi-agency, multi-donor programmes in support of national HIV/AIDS plans. The Resident Coordinator is the initial convenor of the thematic group on HIV/AIDS and ensures that HIV/AIDS priorities are reflected in the overall United Nations Development Assistance Framework (UNDAF). United Nations theme groups on HIV/AIDS are now operational in over 130 countries. ROAR 2000 data show that they are the most common and active of such groups.
50. Drawing lessons from progress made in countries such as Senegal, Thailand and Uganda, UNDP provides policy advice to Governments and civil society partners on ways to achieve a nationwide, effective response. In over 20 countries, UNDP country offices are reporting progress in promoting robust, action-oriented advocacy for leadership at all levels, political commitment and mobilization of actors across all sectors. The ROAR analysis reveals a discernable shift upstream by UNDP in 2000, with a large increase in interventions focused on assisting Governments in formulating national HIV/AIDS strategies, building the capacity of Governments to coordinate effective, multisectoral HIV/AIDS strategies and supporting the creation of decentralized structures to manage local HIV/AIDS plans. The focus of UNDP work is strongly reflected in the categories of intervention UNDP pursued: 68 per cent of outcomes related to capacity-building (up from 52 per cent in 1999) and 27 per cent targeted support for strategy setting and policy options. In Botswana, the national human development report, focusing on the impact of HIV/AIDS on human development, has made an impact by providing policy guidance for top-level political action, multisectoral responses and to dealing with gender inequalities that fuel the spread of the epidemic.

51. In nearly 40 countries, UNDP is assisting with capacity-building for planning, managing and implementing national responses to the epidemic, including the urgent priority of decentralizing the response and strengthening district- and municipal-level action. In Malawi, for example, UNDP has facilitated the formulation of a truly multisectoral, results-oriented strategic plan and, through a round-table meeting, has helped the Government to mobilize $110 million to implement the plan from a wide range of international donors.

<table>
<thead>
<tr>
<th>Areas of action</th>
<th>Progress reported</th>
<th>Countries</th>
</tr>
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<tbody>
<tr>
<td>Support for strategic planning and regulatory changes</td>
<td>Support for formulation of national strategies to tackle HIV/AIDS and develop plans of action</td>
<td>Algeria, Armenia, Bangladesh, Bulgaria, Burkina Faso, Burundi, Cape Verde, Central African Republic, Columbia, Democratic Republic of the Congo, Equatorial Guinea, Gambia, Honduras, Kyrgyzstan, Lesotho, Macedonia, Malawi, Pakistan, Republic of Moldova, Swaziland, Togo, Turkmenistan, Ukraine, Venezuela</td>
</tr>
<tr>
<td>HIV/AIDS integrated into poverty strategy</td>
<td>HIV/AIDS strategy integrated into PRSP</td>
<td>Cameroon, Central African Republic, Chad, Mozambique, South Africa, Swaziland, Vietnam, Zambia</td>
</tr>
<tr>
<td>Building national capacity to combat HIV/AIDS</td>
<td>Support to national HIV/AIDS institutions and NGOs to develop, implement and monitor national and local action plans</td>
<td>Armenia, Belize, Botswana, China, Cuba, Democratic Republic of the Congo, Gambia, Kenya, Lao People’s Democratic Republic, Madagascar, Morocco, Mozambique, Myanmar, Pakistan, Poland, Swaziland, Vietnam, Zambia, United Republic of Tanzania, Zimbabwe</td>
</tr>
<tr>
<td>Establishment of high-level, coordinating unit</td>
<td>HIV/AIDS secretariat established at highest level of the Government to coordinate multisectoral response to HIV/AIDS</td>
<td>Belize, Bulgaria, Former Yugoslav Republic of Macedonia, Kyrgyzstan, Lao People’s Democratic Republic</td>
</tr>
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</table>
52. In nine countries, UNDP country offices provide policy guidance on the difficult challenge of integrating HIV/AIDS priorities into the core of development planning, domestic resource-allocation processes and sectoral plans. For example, in Burkina Faso and Cameroon, HIV/AIDS interventions now form part of the national poverty-reduction strategies and, as a result, portions of debt-relief savings are being allocated to HIV/AIDS prevention and care. In the worst-affected countries, UNDP is working with the authorities on options to help to mitigate the impact on human development, governance structures and the provision of essential services. For example, in Angola, Botswana, Burkina Faso, Gabon, Malawi, Namibia and Swaziland, UNDP sponsors studies to inform the Governments on how to deal with the impact on specific sectors and to strengthen poverty-reduction efforts and macro-economic planning.

53. In about 10 countries, UNDP is reporting progress in promoting a human rights framework and gender perspective to combat discrimination against HIV/AIDS sufferers and to address gender inequalities fueling the spread of the
epidemic. In Angola, Gambia, Honduras and Rwanda, UNDP supports associations and networks of people living with HIV/AIDS. In a number of countries, UNDP supports information campaigns and promotes public access to information services relating to HIV/AIDS, using innovative multimedia technology. Bangladesh, Lao People’s Democratic Republic, Peru, and Turkmenistan are examples where UNDP country offices are reporting successes in this area. In Romania, UNDP and other partners have set up a website on HIV/AIDS targeted at young people.

Box 10. Malawi - Forging ties to fight AIDS

With at least 8% per cent of the population of 10 million people infected by HIV/AIDS, almost every Malawian is now affected by the epidemic. Gains in life expectancy, child survival rates, education and human resources are being eroded, as more and more teachers, judges, nurses and other government officials continue to die of AIDS-related illnesses every day. Put simply, AIDS is destroying Malawi’s economy and rolling back most of the achievements made in poverty reduction. It is tearing apart the social fabric and undermining the country’s capacity to transfer knowledge to the next generation. As Justin Malewezi, Malawi’s vice-president and chairperson on the Cabinet Committee on HIV/AIDS puts it: “HIV/AIDS is not only taking away our present. It is taking away our future and the future of our children.” Conservative estimates indicate that 350,000 people have already died and that close to a million children have been orphaned since 1985. Most of these children are now looking after their siblings, rather than being in school.

The five-year national HIV/AIDS strategic plan was launched in October 1999. The plan, developed with support from UNDP, is Malawi’s first comprehensive initiative to mitigate the impact of the epidemic and curb its spread. Apart from ending the ad hoc nature in which HIV/AIDS issues have been handled, the plan seeks to provide information tools on prevention to all citizens and increase investment in programmes for young people. It addresses the challenge of helping HIV-positive people to live dignified, productive lives. The initiative also promotes the development and implementation of policies and legislation that will ensure that dealing with the epidemic is a priority in all areas of government and business.

In early 2000, UNDP helped the Government to organize a resource mobilization round-table meeting to raise funds to implement the national HIV/AIDS strategic plan. The round-table meeting resulted in a commitment of $110 million to implement the poverty-reduction strategy. With an external debt of $2.5 billion, the Government has featured HIV/AIDS prominently in its interim PRSP to ensure that some of the resources released through the Highly Indebted Poor Countries (HIPC) initiative are allocated towards HIV/AIDS activities.

Information and communication technology for development

54. The emergence of the global network economy, a result of globalization combined with the rapid development of ICT, provides unique opportunities and challenges to developing countries. They have the opportunity to reposition themselves in the new global context while addressing vital development goals such as poverty reduction, new forms of governance, basic health care and education in a far more effective manner than before. However, the scale of the ICT challenge is enormous. Market liberalization and globalization have indeed fallen short of fulfilling critical development imperatives and, as a result, the goal of achieving universal access to ICT and the global information infrastructure has remained elusive. Furthermore, the disparity in access to ICT is growing both between and within countries.

55. The time is ripe for collective action to address the digital divide. UNDP, in close partnership with key public and private sector players, has been working on a comprehensive strategy and implementation package to help to transform the growing digital divide into a digital opportunity while addressing basic development needs.

56. The Digital Opportunities Task Force (dot force), launched in July 2000, is a historic collaboration of the G8 Group of Nations, developing countries, the private sector and civil society. UNDP and the World Bank host jointly the dot force secretariat. UNDP is playing a pivotal role by ensuring that the links between the digital and social divides are strengthened and addressed on a global scale. The dot force secretariat is preparing the final report that will be submitted to the G-8 leaders in Genoa, Italy, by May 2001. Through the dot force, new and existing programmes and partnerships will be scaled up to meet the ICT challenge and provide developing countries with new funding mechanisms.

57. The Digital Opportunity Initiative (DOI), a partnership with Accenture, the Markle Foundation and UNDP, has provided major strategic input to the dot force. In addition, DOI has developed a conceptual framework where ICT is seen as a enabling tool that can trigger a development dynamic that generates not only economic growth per se but also addresses the various development challenges described in the United Nations Millennium Declaration. It
is also a strategic tool geared towards decision-makers and stakeholders of developing countries who urgently need state-of-the-art policy advice in this area. The second phase of DOI, which will start in spring 2001, includes the launching of both a global stakeholder campaign to increase awareness on ICT for development and six to ten country-based exemplary initiatives.

58. At the country level, UNDP has launched the Global Network Readiness and Resource Initiative (GNRRI) in partnership with the Global Business Dialogue on Electronic Commerce (GBDe), the Markle Foundation, the World Economic Forum, the Center for International Development at Harvard University and others. The e-readiness initiative will offer country-level assistance to build national information infrastructure strategies, including expanded human capacity, community initiatives and indigenous entrepreneurship; pro-competitive policy; regulatory environments; and rural connectivity. To date, UNDP has received over 20 requests for assistance from developing countries in all regions, including least developed countries (LDCs). Preparatory missions are currently on the way.

59. Finally, UNDP has joined in a strategic partnership with Cisco Systems, UNV and others to provide technical training in 24 LDCs and enhance the local human resources required to build and maintain the ICT infrastructure. To date, the initiative has launched over 20 Cisco Academies in Asia, Africa and Latin America and plans are on the way to expand the scope and country coverage of the programme.

Energy and environment

60. The year 2000 saw some significant achievements in the area of energy and environment. It remains the third most important SRF category for UNDP as a whole and for each of the five regions, with 119 country officers representing 130 programme countries reporting results to the ROAR 2000. The main focus areas were: (a) development of national strategies and policy, legal and regulatory frameworks for environmentally sustainable development; (b) capacity development of both national and local authorities and promotion of participatory processes; and (c) mainstreaming of global environmental issues in national development policies. Approximately 10 per cent of country offices reported on regional and/or transboundary action for protection of shared natural resources.

61. The ROAR 2000 showed that in all regions there was evidence of a shift from supporting discrete sectoral projects towards providing holistic, upstream programme assistance. In 41 countries, UNDP played a leading role in coordinating environment and energy programmes in the country and in 59 countries it has been trusted with a key partner role. This is strong evidence of the role of UNDP in building strategic partnerships for facilitating dialogue among Governments, national stakeholders, including CSOs, and the donor community, by initiating or facilitating sectoral task forces or donor coordination meetings.

<table>
<thead>
<tr>
<th>Box 11. World Resources Report</th>
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<tr>
<td>The publication of the World Resources Report 2000-2001: People and Ecosystems, the Fraying Web of Life, produced jointly by UNDP, the United Nations Environment Programme (UNEP), the World Bank, and the World Resources Institute, with special funding from the United Nations Foundation was a landmark achievement. This millennial edition of the report focused on five critical ecosystems - croplands, forests, coastal zones, freshwater systems and grasslands - that produce goods and services upon which human life depends. The volume attempted the first-ever assessment of the capacity of these ecosystems to continue to support human life and advocated the adoption of an ecosystem approach to environmental management.</td>
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62. In the area of climate change, UNDP continued to support capacity-building efforts for developing country negotiators through a workshop for African and Latin American representatives on key issues relating to the Clean Development Mechanism. In the water area, according to an evaluation undertaken in the last quarter of 2000, what the politically sensitive, risk-taking Nile River Basin Cooperative Framework project has achieved so far can be considered remarkable. It includes generating trust among the ten riparian countries that share the Nile, drafting a cooperative framework for the river's role in regional socio-economic development and establishing a secretariat to guide the process of continued collaboration. UNDP work on ocean and coastal management falls under the new transboundary waters initiative, which aims to overcome political, physical and sectoral boundaries that complicate the management of water. Activities in 2000 included organizing the first Biennial GEF International Waters
Conference (with the GEF secretariat (GEFSEC), UNEP and the World Bank) and collaborating with other United Nations organizations on training, management and coral-reef protection.

**Box 12. World energy assessment**

In the field of sustainable energy, among the chief accomplishments in 2000 was the launching on 20 September of the *World Energy Assessment: Energy and the Challenge of Sustainability*, jointly produced by UNDP, the Department of Economic and Social Affairs of the United Nations Secretariat (UNDESA) and the World Energy Council. The report contains analyses of key energy linkages to poverty reduction, economic growth, environmental protection and social development goals and highlights numerous important technology, policy and financing issues that the public and private sector must jointly address to bring modern clean energy services to the two billion people without electricity or modern cooking fuels in developing countries. Building on this report, the first meeting of the Global Forum for Sustainable Energy met in Austria to discuss key policy issues essential for the delivery of energy services in rural areas. Involving developing country energy planners and regulators, multilateral and bilateral aid agencies, private sector and industry representatives and NGOs, this meeting developed important recommendations to support the discussions at the ninth session of the Committee for Sustainable Development (CSD-9) in April 2001.

**Human Development Report**

63. Through timely, well-researched analysis, the global and national human development reports (HDRs, now produced in 134 countries) provoke public dialogue on the many dimensions of human poverty and inequality, women’s rights and political freedom, and the repercussions of globalization. The HDR signature trademark, the human development index (HDI), continues to serve as a successful alternative to gross national product (GNP) as a measure of development. By issuing strong policy options for both national and international action, the HDRs spearhead UNDP policy advocacy and analytical capacity-building efforts at the field, regional and global levels.

64. The *Human Development Report 2000* presents the eradication of poverty not just as a development goal but as a central challenge for human rights. Attracting global media and policy attention, the inaugural launch ceremony was held under the auspices of the President of France, Mr. Jacques Chirac, and similar launch programmes were convened at the 135 UNDP country offices. At subsequent seminars in Mali (with the President of Mali), Brazil (with the Vice-President of Brazil), Egypt (with the First Lady of Egypt), Norway, Greece and Jordan, the range of policy suggestions put forward in *HDR 2000* for achieving the goal of “all rights for all” were deliberated upon and further refined. *HDR 2000* has also helped to strengthen ties within the development and human rights communities for linking the struggle for economic and social rights and the fight for civil and political liberties. New tools, such as the *Journal of Human Development*, the Second Global Forum on Human Development (held in Rio de Janeiro, Brazil, in October), and *HDR 2000 CD-ROM*, helped to convey these messages to a diverse and influential audience.

65. The year 2000 also witnessed a dramatic progression for the national human development reports (NHDR) programme, with the establishment of the NHDR Support Unit at headquarters and the preparation of a UNDP policy on NHDRs. Serving as a useful guide for development planning and the articulation of people’s perceptions and priorities, more than 350 national and sub-national HDRs in 134 countries have been produced over the past decade, in addition to nine regional reports.
The NHDRs have introduced the human development concept into national policy dialogue—not only through human development indicators and policy recommendations but also through the country-led and country-owned process of consultation, data collection and report writing. Among the noteworthy success stories in 2000 were: the 2000 Philippines NHDR-inspired campaign for education as a human right that received support from the highest echelons of the Government; and in Brazil, the Government’s budgetary law for 2000 made the HDI an obligatory component of criteria for all federal resource allocation for social development, after the launch of the Human Development Atlas of Brazil, an electronic databank with human development indicators for all 5,000 Brazilian municipalities.

NHDRs produced in 2000

Asia and the Pacific
Bangladesh, Bhutan, Cambodia, Mongolia, Philippines

Europe and the Commonwealth of Independent States
Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Estonia, Georgia, Kyrgyzstan, Lithuania, Poland, Republic of Moldova, Romania, Slovak Republic

Latin America and the Caribbean
Bolivia, Chile, Colombia, Guatemala, Jamaica, Nicaragua
Benin, Botswana, Gambia, Mali, Mauritania, Niger, South Africa, Zambia

Sub-Saharan Africa
Jordan, Djibouti, Kuwait, Libya, Tunisia

Arab States

- Bulgaria’s NHDR 2000, which provided an analysis of the socio-economic situation in each of the country’s 262 municipalities, has already been used in determining the target locations for a large government programme for small-business creation.
- In India, the sub-national HDRs have become an important part of the political discourse and government planning in 20 states, including Gujrat, Karnataka, Madhya Pradesh, and Rajasthan.
- South Africa’s NHDR 2000 has sparked heated debates in the media and among political and civil society leaders about the urgency of human development policy reforms to prevent a backward slide towards extreme poverty and political instability.

66. New activities, such as the annual human development training course (held in collaboration with Oxford University in September) and the NHDR Awards Programme, are helping to promote higher levels of scholarship and to advance new policy options for addressing UNDP human development and poverty-eradication priorities. The web-based global NHDR internal network mail group is further helping to build an influential and multidisciplinary community of scholars and practitioners, working to improve development measurement tools and to introduce policy proposals for expanding quality-of-life opportunities for all people.

The reorganization of the Bureau for Development Policy

67. To strengthen UNDP policy capacity, an implementation plan for a new BDP was approved by the UNDP Executive Team in May 2000. The aim is to create a service bureau providing world class practical policy support where it is most needed—in the field. The reorganization of BDP entails considerable streamlining and rationalization of staff roles to produce a decentralized, networked, hands-on and service delivery-oriented operation. In 1999, there were 250 headquarters-based staff members serving UNDP core development programmes, GEF, Montreal Protocol, the Office to Combat Desertification and Drought (UNSO) and Capacity 21; by the end of 2002, there will be less than 120 staff members at headquarters, with 98 redeployed to the field. The responsibilities of BDP staff are being completely redesigned with an important new focus on providing policy advisory services to the regional bureaux and their country offices. The redeployed Policy Specialist positions will be primarily used to provide policy advisory services to country offices. The subregional resource facilities (SURFs) are being enhanced to become true subregional facilities, with policy specialist resources and stronger policy oversight.

68. BDP is managing this challenge by adopting three modern, innovative management practices to leverage its small pool of Policy Specialists in the most cost-effective manner: (a) knowledge networks, whereby Policy Specialists establish (or join existing) external networks of professional peers (“communities of practice”, including peers from...
United Nations and programme country organizations); (b) matrix management, whereby staff providing policy support will be accountable to their client cluster in the regional bureau or country office for meeting policy priority needs in a timely, responsive and equitably balanced manner, thus eliminating the need for line units to hire their own specialists and ensuring policy consistency across the organization; (c) team-based support, whereby Policy Specialists develop services and provide support as members of multidisciplinary teams, serving both to ensure a full range of perspectives on an issue and to allow for the flexibility needed to take advantage of new opportunities.

As approved by the Executive Board in its decision 2001/7 of 5 February 2001, the global cooperation framework (GCF) will be used as the framework to provide policy support, share best practices and experiences, and conduct policy dialogue, applied research and advocacy to help to implement the development priorities approved by the Executive Board. To facilitate and focus resource mobilization, the GCF will develop and promote a number of service lines and this, together with their policy support tasks, will form the bulk of the work of the BDP Policy Specialists.

**Box 14. The Poverty Resource Network - a UNDP knowledge network**

The Poverty Resource Network (PRN) is one of the six thematic global knowledge networks of UNDP. Established in September 1999, it now connects 340 UNDP staff members from every corner of the globe with poverty eradication in their portfolio, or with an interest in this critical area of development. Eighty per cent of the membership is field-based, with the remainder composed of staff from the BDP Social Development and Management Development Groups, regional bureaux and other units at headquarters, and key external partners and consultants.

PRN provides policy support to the country offices and builds staff capacities through sharing information, comparative experiences, the exchange of tacit knowledge, improved South-South collaboration, updates on key resources and a referral system. Ultimately, the network acts as a mechanism for improving the effectiveness of UNDP work and has become a key tool in the provision of knowledge-based advisory services to country offices and our national counterparts. In the future, the network will increasingly be used for online collaborative activities such as policy development and peer review, as well as a learning tool through the initiation of a discussion series, identification of lessons learned and good practices, and face-to-face activities.

**B. Partnerships**

70. In the knowledge that development outcomes require complex sets of interventions by multiple actors, UNDP realignment involves, above all, an active commitment to partnerships to fight poverty. Effective partnerships that bring together various actors around a common goal are key. In January 2000, the new Bureau for Resources and Strategic Partnerships was created, bringing together responsibility for relations with the Executive Board, the United Nations system, civil society and the private sector, along with donor outreach and resource mobilization. This step, designed to maximize the potential of UNDP networks and relationships, is intended to contribute to a more outward- and client-focused culture.

**Cooperation with the United Nations system**

71. In its role as manager of the resident coordinator system (RCS) and chair of the United Nations Development Group (UNDG) and its Executive Committee, UNDP continued its contribution to the programme of reform initiated by the Secretary-General in 1997. Progress was measured by the ROAR in two areas: (a) external – strategic leadership of the RCS on the global development agenda; and (b) internal – coordination and collaboration on programming and administration through the RCS, with 44 per cent outcomes positive in the former and 59 per cent in the latter.

72. UNDG, in consultation with other United Nations partners, focused in 2000 on preparing strategies on two critical issues: halving poverty by 2015 and the promotion of girls’ education. These two initiatives – which have now been adopted by the Administrative Committee on Coordination (ACC) and by the General Assembly in its Millennium Declaration – seek to bring an enhanced coherence in the United Nations system and impact to its efforts at the country level, drawing on the accumulated experience of the system as a whole and providing a platform for dialogue with national partners, communities and donors. They are not only concrete system-wide strategies but
also a central component of the United Nations support to national efforts to reduce poverty, including the support
to poverty reduction strategies.

73. These initiatives will also be important in the preparation of CCAs and UNDAFs. The ROAR found major,
ongoing investment at the country level in the CCA-UNDAF process and this is borne out in box 15, showing that
110 country offices had a CCA under way, drafted or completed during 2000 while the equivalent proportion for
the UNDAF was 44 offices. However, both the ROAR and the recent evaluation of the UNDAF raise grave
concerns about transaction costs at the country level; failure to be sufficiently strategic in the UNDAF; weak links
remaining between the CCA and UNDAF; and widely varying levels of national involvement in the processes.
More positively, both processes and products are contributing to team-building and strategic cohesion of the United
Nations country teams while the UNDAF, in particular, is being used as a springboard for joint programming.
Inclusion in the UNDAFs of United Nations organizations without resident representation in the country and efforts
to develop rights-based CCAs are among some interesting innovations.

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of countries concerned</th>
<th>CCA Completed</th>
<th>In-progress</th>
<th>UNDAF Completed</th>
<th>In-progress</th>
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</table>

* As of December 2000, not all countries had started the CCA/UNDAF process; the figures do not therefore
tally.
* Countries not currently concerned by the UNDAF roll-out (with a harmonized programming cycle starting
after 2003 or where harmonization does not apply).

74. Progress was also made in 2000 under the purview of UNDG, as well as of the ACC, on harmonization and
simplification of programming and administrative policies between United Nations funds, programmes and partner
75. At the country level, 36 workshops were organized for 42 country teams, reaching an estimate of over 1000 United Nations field staff around the globe. Improvements in the selection of resident coordinators, training of first time resident coordinators and in the overall management of the RCS were a key objective in 2000. Measures to improve the gender balance with emphasis placed on internal selection were developed and endorsed by UNDG and the Consultative Committee on Programme and Operational Questions (CCPOQ) in July. As a result, in September, 42 per cent of the candidates included at the Competency Assessment Centre were female, representing a significant increase from previous years. Specific recommendations were made to improve agency balance among resident coordinators with the result that 50 per cent of the candidates included at the Competency Assessment Centre were from organizations other than UNDP in September, showing a significant increase from previous years.

76. UNDP continued its participation in key United Nations system policy-setting forums, including ACC and its subsidiary bodies, the Partnership Working Group, the Inter-Agency Consultative Meeting, the Executive Committees on Peace and Security and Humanitarian Affairs, the United Nations Framework for Coordination, the Inter-Agency Standing Committee (IASC) and others. UNDP served as chair of the IASC Reference Group on Post-Conflict Reintegration and of the Task Force on Disarmament, Demobilization and Reintegration of the Executive Committee on Humanitarian Affairs; both processes achieved considerable clarification of inter-agency cooperation and division of labour in these key areas.

77. On the increasingly critical issue of staff security in crisis environments, where close to 200 United Nations staff members have been killed since 1992, UNDP plays a key role in support of the Office of the United Nations Security Coordinator (UNSECOORD) and the United Nations system generally. In most cases, the Resident Coordinator serves as Designated Official for staff security in the field. Currently, the 61 field security offices are recruited and managed by UNDP, using an agency cost-sharing formula. Some security management adjustments are being made within UNDP. In response to major decisions on this issue in 2000 (e.g., General Assembly resolution 55/175 of 19 December 2000, the report and recommendations of the Advisory Committee on Administrative and Budgetary Questions on this matter (A/55/658), and an Inter-Agency Working Group on this topic).

78. At the country level, there was a consolidation and refocusing of thematic groups. Data from the ROAR 2000 suggest that these groups are now being employed much more substantively, for example, to generate inputs for the CCA, develop joint programmes, enable strategy development within the United Nations system and support strategic planning and capacity development at the national level.

79. Also at the country level, UNDP continued its active support to the United Nations system through its network of country offices. A considerable level of human and financial resources and coordination-related services are placed at the disposal of the RCS and the rest of the United Nations through these offices. Approximately one third of the time of UNDP country offices are allocated to the provision of services to the United Nations system. In early 2000, UNDG conducted a survey that rated this role played by UNDP quite highly: “the survey confirmed that key services such as payroll, inter-agency accounting and payments, disbursing agent and the administrative management of contracts (Personnel) are for the most part provided by UNDP and are part of the most shared services ... some 85 per cent of the services were rated by the recipients as either ‘very good’ or ‘good’, indicating a higher level of satisfaction among receiving agencies than is generally believed to be the case” (See UNDG Survey on Common Services at the Country Level, United Kingdom Trust Fund in Support of Common Services and Capacity-Building, 8 February 2000, pages 7 and 9-10.)

80. UNV increased its support to the United Nations in 2000, with the ROAR estimating that 14 per cent of all assignments in 75 programme countries were carried out to this end. Most of these assignments assisted country-
level coordination and collaboration on programming and administration. UNV volunteers contributed in three distinct areas: (a) in direct support of resident coordinator functions; (b) in the provision of common services primarily in health but also in information technology management in approximately 30 countries, mostly LDCs; and (c) in follow-up to the global conferences, especially the World Conference on Human Rights, the United Nations Convention on the Rights of the Child, the United Nations Conference on Environment and Development and the High-Level Political Signing Conference for the United Nations Convention against Transnational Organized Crime.

Box 16. UNDP partner survey

The pilot phase of a survey of the main partners of UNDP at the country level was initiated in 2000, with full roll-out to all programme countries anticipated in 2001. The objective of this exercise is to elicit, from a representative sample of the main partners in programme countries, their opinions on UNDP performance and added value. Programme country Governments, as well as international and local intergovernmental and non-governmental entities operating in the country concerned, will be requested to furnish detailed information on their perceptions of UNDP, their opinions on its achievements, its contribution to aid coordination, on the national ownership of its programmes and on the efficiency and effectiveness of its country office. The data collected from respondents will be measured and analysed with a view to producing country-specific and overall indications on main areas of achievement and areas for improvement. The pilot phase was conducted in 17 countries, in four languages and over 600 respondents were contacted.

The Bretton Woods institutions

81. During 2000, a renewed dialogue between UNDP and the World Bank, including consultations between the Administrator and the President of the World Bank, facilitated the identification of key priority areas for cooperation: poverty reduction, governance and information technology. In each of these areas, steps have been taken to develop a UNDP/World Bank partnership that would be of benefit to programme countries. At the same time, an increasing emphasis is being placed on the importance of monitoring the way cooperation is actually taking place at both headquarters and the country level.

82. Perhaps the most important of these areas, in light of the commitments made by both organizations to the international development goals, particularly that of halving poverty by 2015, is that of poverty eradication. Following the introduction by the World Bank of PRSPs, an increasing number of programme country Governments have requested UNDP cooperation in the formulation of their poverty strategies. UNDP supports Governments in the formulation, implementation and monitoring of national frameworks for poverty eradication, and in the preparation of full, country-owned PRSPs. Areas of cooperation between UNDP and the World Bank include national-capacity issues, the analysis and monitoring of poverty as well as process issues, in particular building up national ownership and supporting participatory mechanisms. Through subregional workshops, UNDP promotes exchange of experience on PRSPs, which includes partnership development with the United Nations system, the Bretton Woods institutions and regional development banks. To monitor cooperation on PRSPs, UNDP and the World Bank are conducting, on a regular basis, a joint review of progress made for 15 countries.

83. In the area of ICT and to address the issue of the digital divide, UNDP and the World Bank worked together on dot force. UNDP has also become a partner, along with other United Nations organizations and CSOs, in the Global Development Gateway (GDG), the web portal on development issues planned by the World Bank, with the objective of being a platform for knowledge-sharing and networking through the exchange of experiences. As one of the GDG partners, UNDP has been providing data for content development and topic advice by UNDP staff and has seconded a UNDP staff member to the GDG team. UNDP has also been a partner for the development of GDG at the country level, with UNDP offices identifying the best ways to cooperate at the local level.

84. In November 2000, UNDP and the World Bank jointly approved the checklist for UNDP-World Bank Loan Financed cost-sharing arrangements under National Execution. This is the revised version of the Standard World Bank Group Cost-Sharing Annex of 1994 and is designed for UNDP-executed national projects financed by government cost-sharing with the loans and/or grants from the World Bank. While the application of the previous agreement had been confined to the Latin America region, the new agreement can be applied to all regions and is therefore expected to facilitate closer collaboration between UNDP and the World Bank.
85. UNDP partnership with the International Monetary Fund (IMF) has been developing through regular consultations at the highest level and approval and implementation of joint UNDP/IMF projects, several with contributions from bilateral donors.

86. UNDP has also launched several initiatives to forge new partnerships with regional development banks. This included a review of the status of the UNDP/Asian Development Bank (AsDB) partnership and the placement in AsDB of a UNDP/AsDB partnership advisor, who helped outline future directions for the partnership. These new directions will be formalized in an agreement between UNDP and AsDB in 2001. The relationship with the African Development Bank is also developing and a Memorandum of Understanding was signed by both organizations on 6 February 2001. Initial discussions with the European Investment Bank took place in June 2000, with opportunities for partnerships identified in the Mediterranean countries and in the Balkans.

**Partnerships with civil society**

87. Substantively partnering with CSOs is of greater strategic importance than ever as UNDP seeks to reposition itself as a leading policy and advocacy organization. In recognition of the unprecedented rise and collective power that CSOs bring to bear in shaping global and national agendas for human development and poverty eradication, a series of high-level policy meetings were organized with UNDP senior management and CSO policy leaders (1999-2000) to develop the outlines of a substantive partnership agenda. The following broad areas have been prioritized for UNDP-CSO collaboration: (a) globalization, trade, debt and poverty reduction; (b) conflict prevention and peace-building; and (c) human rights and human development.

88. The UNDP-CSO Committee, established in May 2000, marked the beginning of a new policy partnership context for UNDP-CSO relations. It is bringing key leaders of civil society from both North and South, in areas relevant to UNDP priorities, to provide ongoing strategic policy advice to the Administrator and senior management of UNDP. The Committee has already made a number of important recommendations across a range of strategic partnership and policy concerns that will be regularly monitored.

89. Poverty and globalization. The trusted relationship that UNDP enjoys with Governments in both developing and developed countries often enables it to create the political space for civil society to express alternative views and influence policies. UNDP works with CSOs to promote recognition of the differentiated impacts of development on diverse vulnerable populations, particularly indigenous peoples, and to ensure that they have a voice in key development policy processes affecting their lives. This includes fostering partnerships with government, donors and CSOs for ending poverty and inequalities. For example, in 1998, a unique series of public meetings enabled poor people throughout South Africa to talk directly to national decision-makers. Plans to replicate this 'speak-out' model are now under way elsewhere in sub-Saharan Africa.

90. Trade and sustainable human development. The events that took place at the WTO Seattle Ministerial Conference and demonstrations that have followed have underscored the need to broaden the debate on the global trading system from narrowly, economically defined terms to a focused discussion on human development and a debate of global governance issues. In October 2000, UNDP held a major brainstorming meeting with its consultants, leading civil society policy actors, key government negotiators, leading academics and United Nations organization partners to discuss how trade can reflect desirable human development values and bring progress in fulfilling human development objectives. The results of the brainstorming meeting, together with regional and other consultations, will feed into the preparation of a UNDP report on trade from a human development point of view.

91. Conflict prevention and peace-building. By facilitating links and partnerships among CSOs, and between CSOs and Governments, UNDP helps to build the social capital that is crucial in both preventing and resolving conflicts. For example, CSOs and indigenous peoples organizations (IPOs) played a major role in nurturing peace in Guatemala by promoting informal linkages between the Government and civil society and by helping to define the major issues and build consensus. UNDP supported the creation of the Civil Society Assembly, which helped to overcome distrust, promote broad participation and move away from old strategies of confrontation. In Mali, UNDP, together with local CSOs, helped to organize the now famous 'Flame of Peace' – a bonfire of over 3,000 weapons that symbolically represented an end to five years of strife.
92. Human rights and human development. UNDP works together with CSOs to realize the entitlements and obligations of human rights norms and standards, including the societal watchdog functions of CSOs in defending and monitoring the commitments of United Nations conferences and human rights treaties. In October 2000, a dozen regional human rights NGOs from the Asia and the Pacific region gathered in Phnom Penh, Cambodia, to debate the current draft of the Asian Human Rights Charter. This draft instrument, proposed by the Asian Association of Parliaments for Peace, is based firmly on the Universal Declaration of Human Rights. The regional consultations, hosted and organized by UNDP and CSOs, suggested ways of strengthening the Charter, as well as exploring collaboration between CSOs, parliaments, Governments and international development agencies in the promotion and implementation of the Charter, once approved.

93. UNDP supports CSOs who measure the progress towards commitments made at the United Nations Conferences and who assess the current status of aid and development cooperation programmes. Social Watch, which is managed by southern and northern CSOs, monitors the global and national commitments made by the heads of State and Government who met in Copenhagen for the Social Summit in 1995. The Women’s Environment and Development Organisation assesses the implementation of the Beijing Platform for Action. EUROSTEP is an international coalition of CSOs that focuses on the aid performance of the Organization for Economic Cooperation and Development (OECD) countries.

Business partnerships

94. In striving to become a more networked organization that leverages its impact on poverty eradication, UNDP is promoting innovative partnerships with key development stakeholders, including with the business sector. During 2000, UNDP began to explore and advocate partnerships with the business sector in a more systematic way than before, across its various focus areas. This included consulting with business representatives in the formulation and implementation of various relevant development activities and engaging in concrete and practical projects, where appropriate. In addition, UNDP also worked to stimulate the business sector to take responsible action on its own or in partnership with other development actors. For example, in Venezuela, UNDP is working with an oil company and Amnesty International to give every judge and public defender an improved understanding and knowledge of human rights-related laws, regulations and issues. In Fiji, UNDP helped establish a Transparency International chapter that includes representatives from the private sector and civil society. In Mongolia and Viet Nam, UNDP has supported the development of laws and regulations that affect the private sector. In Kazakhstan, UNDP is working with two large international companies to promote small enterprise development through the establishment of a micro-credit scheme for non-collateral, group guarantee loans, and a small-business development centre to offer advisory services.

95. These efforts took place within the context of an initiative by the Secretary-General to launch a global compact with the private sector, which asks businesses to embrace and act upon nine universal principles in the areas of human rights, labour rights and environment, provides a value-based platform and an important entry point for UNDP engagement with the business sector at the country level.

96. To assist with the more focused and systematic approach to working with the business sector, the Division for Business Partnerships was created, as part of the new Bureau for Resources and Strategic Partnerships. The Division develops UNDP strategy and guidelines for working with the business sector, and supports and stimulates concrete partnerships to take place at the country, regional and global levels.

97. As part of the new corporate commitment to engage with the business sector in a more systematic manner, a draft set of new corporate policies and guidelines was also prepared in 2000. These are intended to help to define the various roles UNDP can play in promoting business partnerships, provide key principles for engagement with the business sector and offer practical assistance to country offices.

98. By opening the door for engagement with the business sector, UNDP offers developing countries assistance in exploring how the business sector can become more actively involved in the national development process and recognized as an important development stakeholder. Not only does the business sector have a critical role to play in promoting economic development and recognizing its social and environmental responsibilities, it can also be an important partner and resource for Governments in the review and formulation of various policy issues relating to national development.
99. UNDP increasingly assists countries in engaging the business sector in dialogues on national development and policy issues. Ranging from organizing consultations with business on new enterprise laws (Viet Nam) and creating a favourable policy environment for business (Mongolia), to facilitating consensus-building between the business sector, the Government and civil society to fight poverty (Panama), UNDP is viewed as a trusted partner and an honest broker. In addition, UNDP is entering into important partnership activities with business in such areas as information technology for development, HIV/AIDS and human rights.

100. In 2000, UNDP also took the first steps to launch a major effort aimed at taking the United Nations Global Compact to a local and practical level in host countries. Based on a tripartite “partnership forum” approach, UNDP is facilitating businesses to come together with Governments and civil society to discuss how the business sector can contribute to local development priorities and to define concrete partnership activities around these priorities.

Promoting aid coordination

101. In 2000, UNDP support for aid coordination took three distinct forms: developing aid coordination policy; ensuring that external resources are aligned with national priorities; and strengthening or creating aid coordination mechanisms.

102. Developing aid coordination policy is emerging as a promising area for UNDP support. In four countries (Cambodia, Namibia, Nepal and Somalia), UNDP is working with the Governments to prepare national policies to shape all external coordination, going significantly beyond the ad hoc strategies and guidelines that have existed in the past. In Cambodia, partnership principles in particular have been emphasized, thereby bringing in civil society perspectives.

103. A significant element of UNDP support concentrated on assisting Governments in incorporating external assistance within the framework of national development plans. In Burundi, Equatorial Guinea and Niger, the vehicles for achieving greater alignment were the public investment programmes and policy framework papers prepared by the Governments. In eight other countries, thematic, sectoral, and round-table consultations provided the focus around which consistency with national priorities was sought. Thematic or sectoral assessments or strategies were often prepared to strengthen the substantive focus of meetings, covering a wide range of topics, including decentralization, governance, election monitoring, environment, agriculture, forestry, macroeconomics and health.

<table>
<thead>
<tr>
<th>Box 17. UNDP support to aid coordination in the field: Cambodian case study</th>
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| At the Consultative Group Meeting for Cambodia, held in Paris in May 2000, the Government outlined a clear vision and comprehensive programme of action. It called for a shift from donorship to national ownership, with Cambodian institutions leading the aid coordination process for partnerships. UNDP is supporting this initiative by working to strengthen its links with and assess the capacity and potential leadership role of new national partners, including CSOs, research institutes and the private sector. This is geared towards identifying and presenting to the Government institutional options for a strengthened partnership and dialogue capability with non-state actors. More specifically, UNDP is supporting:

- Information-sharing and direct advice on strategic issues and concerns;
- Coordination of planning/programming actions and interministerial working groups;
- Knowledge/technology transfer.

The objective is to ensure that the Government is fully equipped to review aid performance, assess future external financing requirements, negotiate with donors and investors, and strengthen partnerships with donors, the private sector and local CSOs for the sustainable development of Cambodia. |

104. Fourteen country offices highlighted support to the strengthening of aid coordination mechanisms in their ROARs. Specific areas of support included: developing tools for programming public investments; training in planning, management, monitoring and evaluation of external assistance (Equatorial Guinea, Lao People’s Democratic Republic, Somalia, United Republic of Tanzania); establishing or strengthening management information systems for the management, monitoring and evaluation of external resources (Albania, Bosnia and Herzegovina, Cambodia, Democratic Republic of the Congo, Georgia, Nicaragua); training Ministry of Planning staff to enable them to assume the secretariat role in aid coordination (Lao People’s Democratic Republic, Palestinian Authorities).
105. Centrally, UNDP took the decision, in response to the high level of country office demand, to reinforce the capacity of headquarters to provide policy and technical support to country offices on aid coordination. The central objective is to enhance UNDP ability to play an effective coordination role, both within the United Nations system and through the services UNDP provides to developing country partners, with a view to strengthening its contribution to the development goals of the Millennium Declaration. The increased priority accorded to aid coordination will feed through into global and country-level results during 2001.

C. People

106. Human resource management figured prominently in the transformation process that was actively under way during 2000. One of the Administrator’s highest priorities was to establish a new kind of relationship between staff and management. The second annual Global Staff Survey was conducted in October 2000 and indicated some positive trends relating to the confidence of staff in senior management and the perception by staff that overall communication had improved. The commitment by staff to the mission of the organization remains extraordinarily high. An increased number of staff both in headquarters and country offices believe the change process will improve overall performance.

107. Another overarching objective was to seek to realign UNDP human resources with the changing requirements of an organization that is remaking itself. In simple terms, this means an infusion of new blood with new competencies to work alongside the core cadre of experienced, talented staff while continuing to strengthen human resources in an environment of continuous learning. Achieving such an intake of new staff with a changing profile (the new “development professional”) was part of the Administrator’s strategy of making a sharp reduction (25 per cent) in the number of personnel at headquarters and redeploying a number of functions and activities to the field. The Administrator also indicated he would take charge of overall human resource policy and all assignments for key positions and would be de facto Chief Personnel Officer in UNDP. During this past year, three new Assistant Administrators were appointed. A significant number of other key senior appointments have been made, including for resident coordinators. Particular care has been taken to ensure broad geographical and gender balance.

108. The headquarters reduction was supported by a comprehensive programme put in place by the Office of Human Resources combining a variety of special efforts: an overall human resources policy and due process framework; organizational development advice for unit restructuring and job re-profiling; advisory services to units to help in advertising jobs and in the selection process; counseling for displaced staff; training for staff to prepare for new careers outside UNDP; advocating on behalf of staff members for job opportunities in other United Nations organizations for placing UNDP staff; and a new generation of early-separation opportunities to assist departing staff. Never before had UNDP faced a downsizing and re-profiling of this magnitude. The special support effort has helped to make this a fair and humane process, respecting the abilities, rights and dignity of staff. A similar effort was organized and is under way to support the country offices in their own re-profiling efforts for 2001.

109. UNDP has continued to prioritize staff career development, with some 25 deputy resident representatives and staff in commensurate positions in headquarters moving into resident coordinator posts over the past two years. Fifteen talented national staff members achieved internationally recruited status in 2000. A job fair was conducted that placed some 50 support and professional UNDP staff in the Bureau of Development Policy. An external recruitment campaign was then launched to fill the remaining policy practitioner posts for which no internal candidates could be found. The great majority of these policy experts will be assigned to one of the nine SURF field locations. Additionally, and very significantly, UNDP was able to restart its young professional programme (LEAD) with 19 individuals selected, the great majority of whom were UNDP Junior Professional Officers and national staff. In all these selection processes, UNDP now applies a competency-based approach, which ensures that UNDP obtains the right skills to meet the challenges of the future.

110. As UNDP transforms, it requires human resource management policies that are progressive and remain state-of-the-art. Several special initiatives were successfully undertaken in 2000 as part of this overall effort, including a new system for evaluating staff performance, through the use of a simple but effective web-based system focused on results and competencies assessment; a revised and updated policy on staff rotation that underlines the importance of geographical mobility, especially for internationally recruited staff at headquarters; an integrated policy framework for the downsizing effort, including new separation policies; and further improvements in the work/life policies, with a view to remaining an attractive and progressive employer and to include a number of family friendly measures for staff in rotational duty stations, providing for greater transparency for reassignments and human resource management. The Administrator indicated he would introduce a reward-and-incentive scheme for high performers and that poor performers would be
moved. Attention continues to be paid through the performance assessment system to the overall quality of the performance of individuals and steps are being taken in cases where performance does not improve. The introduction of rewards and incentives will be reviewed in the course of 2001.

111. The Administrator indicated last year that a more efficient, transparent and credible internal grievance and justice system would be put in place in 2000. In an effort to streamline and improve the way legal services are provided by the organization, the Office of Legal and Procurement Services was created in 2000. The backlog of cases was cleared and a comprehensive review of the UNDP internal grievance and justice system was also conducted. The recommendations will be implemented during 2001.

112. The Administrator also indicated that a number of re-engineering activities would be undertaken in 2000 to streamline business processes and empower managers to act more immediately on their specific needs. These activities included: delegated authority to execute contracts for activities of limited duration (ALDs) for internationally recruited staff; development of the relocation-grant pilot scheme to facilitate more rapid movement of staff to the field on the one hand and greater flexibility for staff on the other; an overhaul of the travel entitlements system, including the use of a lump sum modality for all official travel, including assignment travel, rest, recuperation and procurement travel.

113. Recognizing the importance of being a knowledge-based, learning organization, UNDP has ensured that strategically selected learning initiatives were among the transformational initiatives in 2000. A network of learning managers is now in place in country offices and headquarters bureaux, promoting an aggressive and dynamic learning agenda for all staff. UNDP has implemented the electronic learning platform, which puts learning at the fingertips of all staff in a modern, cost-effective way. This concept is complemented even more solidly through the new plans for the Virtual Development Academy, which aims to provide a structured, computer-based learning programme in substantive, managerial and technological areas — starting with an initial group of 100 middle managers. This innovative programme was developed in 2000 and will be launched during the current year. Management development remained a high priority, with whole-office training already provided to 56 offices since 1997 and with a further 33 to receive the training in 2001, and with 360-degree feedback being piloted and then mainstreamed in the course of 2000.

114. Under the Administrator’s guidance, UNDP continued to ensure leadership to the resident coordinator system. The programme of competency assessment for first time resident coordinator candidates continued apace, with the total number of competency-assessed potential candidates having reached 146 by the end of 2000. Adjustments are under way to make this assessment-centred approach a universal one in 2001 — for first time candidates and sitting resident coordinators alike. UNDP participated in United Nations system-wide efforts to improve the performance evaluation of resident coordinators and continued to provide a comprehensive orientation programme to new resident coordinators.

D. Performance

115. UNDP continued its efforts in 2000 to engender a new culture of performance in the organization, backstopped by the structures and tools necessary to maximize staff efficiency and performance evaluation. The Bureau of Management was created, bringing together the former Bureau for Planning and Resource Management and the former Bureau for Finance and Administrative Services and including some new divisions that better reflect UNDP needs for improved cost efficiency, client service and accountability. Key areas where progress was made in 2000 in performance and efficiency included the reprofiling of country offices, simplification of administrative procedures, and steps towards improved client services and work processes.

116. Staff performance and learning are being improved. The roll-out ahead of schedule of the results and competency assessment (RCA) in August represented significant progress in improving performance management. The RCA takes RBM, already introduced at the organizational level through the SRF/ROAR, to the level of the individual staff member and strengthens the concept of two-way accountability between staff and managers. An integral part of the new system is 360-degree feedback, which is now being introduced across UNDP. Staff are now encouraged to take 5 per cent of their time for learning and 5 per cent of staff costs are being allotted for training purposes. Seventy-five learning managers are now working in country offices. The Electronic Learning Platform was launched in 2000 and had had over 6,000 hits by January 2001.

117. Throughout 2000, an intensive effort to explore options for and consequently begin implementation of the re-profiling of country offices was undertaken. Summer 2000 saw the production of the report of the Options Group on the future shape
of country offices. This was followed by a concerted effort at headquarters to support country offices in their re-profiling. Following intensive consultation with resident representatives and at headquarters, a $14 million package of support measures and financial resources was rolled out in December. Implementation is already well under way: additional resources to support transformation have been released to each country office; re-profiling missions and training workshops have taken place; human resource guidelines to handle staff reductions have been issued; a revamped change management web site has been launched; and missions to priority countries continue to assist, for example, in restructuring and resource mobilization. The project to upgrade country office connectivity is also under way.

118. In order to improve performance at the country level, a group of 17 pilot performance countries was identified by the Executive Team. Criteria for inclusion in this group included that the country office concerned had a disproportionately high impact on the overall reputation of UNDP, either because issues of performance had consistently been raised by UNDP partners – programme and donor countries – and/or because events in the country cause it to be in the spotlight. Improvement in these country offices is measured according to progress in non-core resource mobilization, re-profiling and transformation from a project-management entity to an advisory and advocacy entity in line with the move upstream by UNDP. These countries receive priority support from headquarters, including in the area of human resources, and their resident coordinators are prioritized in performance assessments. Also in 2000, a pilot partner survey was launched in these 17 countries in order to gauge the perceptions that UNDP as a whole and the major partners have of these offices.

119. Some specific examples of simplification and re-engineering completed in 2000 include delegation of greater procurement authority to country offices, new finance rules and regulations and the introduction of electronic banking. Building maintenance, messenger services and printing services have all been outsourced. In addition, a number of studies and pilots schemes were conducted in 2000 that will begin to yield results in 2001. These initiatives include an accounting study undertaken externally and a pilot study on activity-based costing, which is under way in three headquarters units. An external assessment of the Integrated Management Information System (IMIS) will provide important input for making the necessary decisions on the next generation information technology platform.

**Evaluation system**

120. The organization's evaluation system made considerable progress in four strategic areas in 2000: (a) aligning monitoring and evaluation instruments with RBM; (b) strengthening substantive accountability; (c) promoting organizational learning and partnerships; and (d) a macro-level assessment of UNDP performance based on evaluation data.

121. The introduction of RBM has required considerable realignment in evaluation practice, tools and processes in UNDP. The SRF has fully integrated within its structure RBM and evaluation practices, with particular attention to strategic management and learning processes at both country and UNDP corporate levels. The first ROAR marked a milestone in providing an objective basis for assessing organizational performance and progress against intended results. In parallel, the *Results-oriented Monitoring and Evaluation Handbook* is undergoing a major revision so that existing tools and processes are realigned with outcome-level RBM approaches. The focus on outcomes in particular fosters partnerships since development progress necessarily requires the efforts of multiple groups working together. The adoption of methodologies and tools for assessing impact at the country level and for more rapid feedback have enhanced substantive accountability. This objective has been furthered by the systemic monitoring of evaluation compliance and by the promotion of evaluation plans.

122. An important contribution to learning and knowledge has been made by providing lessons with direct practical relevance to front-line country office staff and their counterparts in timely, easily digestible form. This has been achieved through publications such as *Essentials*, the Central Evaluation Database, the UNDP Evaluation Network, and the Evaluation Office intranet web site. The Evaluation Office, in overseeing the evaluation function of UNDP programmes and funds, has paid particular attention to assessing the extent to which evaluation recommendations have been followed upon and the mechanisms by which this was achieved. A strong effort was made in 2000 to forge this tighter link between evaluation recommendations and lessons learned with management decisions and improved organizational practice. The major strategic evaluations conducted through the year, each with a formal management response, include those on post-conflict situations, decentralization, the relationship between the United Nations Office for Project Services (UNOPS) and UNDP, the SURFs, aid coordination and the UNDP global programme.

123. Another milestone for the organization has been the Evaluation Office report assessing UNDP development effectiveness. The report, to be produced on an annual basis, presents an in-depth, evaluation-based examination of the key determinants
of development effectiveness, such as in the areas of capacity-building and development ownership. By defining and assessing the particular contribution of UNDP in these areas, the report emerged as a useful complement to existing mechanisms for assessing the organization's performance and development impact.

IV. UNDP-associated funds and programmes

A. United Nations Volunteers

124. The UNV programme has continued to promote volunteerism, primarily through the mobilization and placement of UNV volunteers. In 2000, UNV witnessed its fourth successive year of growth with some 4,800 UNV volunteers carrying out close to 5,200 assignments in support of electoral processes, humanitarian operations, community development and technical cooperation activities. Representing 157 nationalities, UNV volunteers served in 140 countries, demonstrating the universality of the UNV programme and the valuable role it plays in South-South collaboration. In financial terms, the magnitude of the programme surpassed $100 million for the first time in 2000.

125. In its decision 2000/14, the Executive Board took note with appreciation of the report of the Administrator on UNV (DP/2000/24). In particular, delegations commended the adoption of the UNDP multi-year funding framework (MYFF) including the SRF and the ROAR, as the appropriate instrument for presenting the areas, outcomes and results to which the UNV programme and UNV volunteers contribute. Within this context, during 2000, UNV assignments supported activities in the following programme areas: enabling environment for sustainable human development (31 per cent); poverty eradication and sustainable livelihoods (17 per cent); special development situations (34 per cent); and support to the United Nations (14 per cent). While the protection of the environment and the advancement of women form, for the most part, an integral part of the work of the UNV volunteers in the programme areas mentioned above, 4 per cent of assignments are directly related to environment and gender.

Development cooperation activities thus remained the hallmark of UNV programme implementation in 2000. Particularly noteworthy was the operationalization of the United Nations Information Technology Service (UNITeS), an initiative of the Secretary-General; the expansion of activities in support of community efforts in responding to the HIV/AIDS epidemic; and the extended involvement in confidence-building and peace promotion activities in countries emerging from internal conflict. As noted in the Brahimi Report, and indicated by the award of the United Nations High Commission for Refugees (UNHCR) Nansen medal, the outstanding contributions of UNV volunteers engaged in peacekeeping and humanitarian operations in, for example, East Timor, Kosovo, and Sierra Leone, also gained high recognition.

127. In November 2000, the International Year of Volunteers was officially launched by the Secretary-General at United Nations Headquarters. UNV used the preparations for the Year as an opportunity to not only articulate its own core mandate and focus but also to test and confirm the relevance of the organization and of its concrete operational activities on the ground. Throughout the year, UNV actively contributed to intergovernmental processes in the context of the International Year of Volunteers to show that volunteerism is increasingly being recognized as a powerful and relevant factor in building social capital. In its decision S-24/2, adopted at its twenty-fourth special session (WSSD and beyond: achieving social development for all in a globalizing world), the General Assembly recommended the promotion of the involvement of volunteers in social development. Economic and Social Council and General Assembly resolutions were also adopted in this connection, thereby keeping the issue on the agenda. That the International Year of Volunteers is gaining such momentum and rapidly prompting the broad involvement of civil society confirms the relevance of its four main goals: recognition, facilitation, networking and the promotion of volunteerism. As a result, the role of volunteerism in 2001 will be considered at the Commission on Social Development, the Inter-Parliamentary Union, by the General Assembly at its special session for the overall review and appraisal of the Habitat Agenda, the follow-up to the World Summit for Children, the World Conference Against Racism and the Commission on the Status of Women.

B. United Nations Capital Development Fund

128. The overarching goal of the United Nations Capital Development Fund (UNCDF) is to help to reduce poverty through local development programmes and micro-finance operations. Its approach is to invest poor communities with productive capacity and self-reliance by increasing their access to essential local infrastructure and services. This focused mission
was recognized in an external evaluation of UNCDF completed in 1999 and in UNDP Executive Board decision 99/22. It is also captured in the Action Plan 2000, in the UNCDF SRF and the UNCDF Report of the Administrator to the Executive Board in June 2001. One recommendation from the external evaluation was that UNCDF should strengthen its relationship with UNDP and other partners. In 2000, UNCDF developed a strategy to build its complementarities with UNDP around substantive, administrative, operational and resource-mobilization issues.

129. UNCDF made some important breakthroughs in affecting policy, thanks to its decentralized planning models. In Cambodia, for example, UNCDF and UNDP provided direct support to the Government in drafting the local commune administration and management law, based on the local-level planning system that UNCDF has been piloting there in several provinces. In Malawi, UNCDF is helping the Government to formulate policy on fiscal decentralization and to ensure that resources will be available to match decentralized functions. UNCDF support to start-up micro-finance operations in 2000 indirectly gave credit access to 3,600 poor clients in Malawi in just six months. By using UNCDF guarantee mechanisms, a new project in Madagascar has already enabled four networks of micro-finance institutions to access $1.8 million in bank loans.

C. United Nations Development Fund for Women

130. The mandate of the United Nations Development Fund for Women (UNIFEM) includes supporting government and civil-society efforts on the ground serving as a catalyst for gender equality for the entire United Nations system. The year 2000 saw the approval of the new UNIFEM Strategy and Business Plan 2000-2003, which adopted an empowerment framework geared to promoting a rights-based approach in all aspects of UNIFEM work. It will comprise three thematic areas: strengthening women’s economic security, engendering governance and leadership and promoting women’s human rights and eliminating violence against women. More detailed information on the work of UNIFEM is available in its report to the Executive Board (DP/2000/15).

131. An opportunity to strengthen the links between UNIFEM and UNDP has emerged in the Executive Board agreement to make UNIFEM an executing agency for UNDP, allowing it to use its expertise to expand UNDP work on gender equality. Another key partnership was forged with UNDP and the International Telecommunications Union (ITU) to support equality initiatives on gender and on ICTs, which resulted in the signing of a Memorandum of Understanding between UNIFEM, UNDP and ITU in July 2000. In the area of human rights, the UNIFEM Trust Fund in Support of Actions to Eliminate Violence Against Women approved funding for 17 innovative projects worldwide in the year 2000, with grants totaling $966,969. The global pilot programme, Gender-focused responses to the challenges of the HIV/AIDS epidemic, broke new ground in bringing together diverse constituencies, including women’s organizations, health professionals, researchers, government officials and the media, to work on community-based research and action strategies to further understanding of gender implications when addressing HIV/AIDS. Its success and need have prompted UNIFEM to expand and extend this project.

132. In the area of governance and peace-building, UNIFEM work in Burundi led the facilitator of the Burundi peace process, Nelson Mandela, to request that UNIFEM convene a high-level expert group meeting to brief the 19 negotiating parties in the country on gender issues relating to the peace process. Each of the parties accordingly appointed two women representatives to attend the historic All-Party Burundi Women’s Peace Conference, which UNIFEM convened. The conference resulted in the adoption of 23 proposals made by Burundi women in the country’s final peace agreement.

D. Programme of Assistance to the Palestinian People

133. At present, the Programme of Assistance to the Palestinian People (PAPP) has approximately $145 million in ongoing projects in every part of the West Bank and Gaza Strip. Since its inception, PAPP has mobilized some $350 million in resources on behalf of the Palestinian people, with strong support especially from Japan and the European Union. While most PAPP programmes focus on addressing problems that arise in special development situations, they also incorporate the goals of good governance, poverty alleviation, sustainable human development and gender equality. The rationale for this approach is that even during crisis and post-conflict situations, strategic upstream interventions are possible and, in fact, crucial to fostering the transition from conflict to sustainable state building.

134. PAPP disbursed almost $30 million in 2000, despite the drastic deterioration in the political situation since September, which has had a devastating effect on the economy and civil society and on the progress of development activities in the area. PAPP was able to sustain the momentum of its development programmes while adding a new dimension of crisis intervention to
address the unusual challenges that arose as a result of the breakdown in the peace process. Owing to its skill in rapid-response implementation of emergency projects, PAPP mobilized and partly disbursed $6.1 million from Japan, Norway and Sweden, during the three months from October to December, for emergency medical relief and emergency employment-generation projects.

135. Earlier in 2000, utilizing over $27 million in funding from Japan, Norway and Italy, PAPP continued to lay the foundations of an enabling environment for sustainable human development with the completion of some major infrastructure projects that improved basic public services for the Palestinian people. For example, access for the poor to basic health care services was improved with the rehabilitation of 70 clinics and primary health care centres in remote areas across the West Bank. The restoration of water supply distribution networks has guaranteed clean water supply to thousands of residents of Jericho and Hebron. New infrastructure projects launched in 2000 will improve access to justice through the construction of a new courthouse in Nablus, to external resources for the public and private sector, through the construction of a south wing at Gaza International Airport.

136. Following the Administrator's Business Plans 2000-2003, PAPP reinforced its upstream advisory role to the Palestinian Authority in 2000 by supporting the publication of the Palestinian Development Plan. PAPP also agreed to coordinate and administer international support for the institutional capacity-building of a new seaport in Gaza; it has established a UNDP open trust fund to receive contributions for that purpose. PAPP contributions to poverty alleviation in 2000 included initiating the Palestinian participatory poverty assessment and facilitating the establishment of a poverty alleviation fund in the Palestinian Authority. The capacity of the poor to sustain their livelihoods will be enhanced as well by launching a new project for food security through water harvesting and the rehabilitation of the rangelands project.

137. The Palestinian Gateway Project implemented by the World Bank with support from PAPP will improve public- and private-sector access to ICT. The Palestine Schoolnet Project, begun in 2000, will connect thousands of students to the vast educational resources available on the Internet. PAPP commitment to empowering community-based organizations was underscored by its work with some 200 civil society organizations through the community-based youth development project and with micro-regional planning committees in the PAPP local rural development programme.

138. PAPP partnership strategy is to forge close relationships built on trust with its Palestinian counterparts, NGOs, other United Nations organizations and the donor community. These relationships are fortified by the reputation of PAPP as a dynamic organization that has the unique capacity for rapid delivery of a high-quality product. In 2000, PAPP forged new and potentially long-term partnerships with the United States Agency for International Development (USAID), the Department for International Development (DFID) and the World Bank, and sowed the seeds for establishing affiliations with several non-traditional Arab donors, including the Islamic Development Bank and the Arab Fund for Social and Economic Development.

E. Special Unit for Technical Cooperation among Developing Countries

139. Ongoing efforts by UNDP to unlock and mainstream the potential of South-South cooperation proceeded on four interrelated fronts in 2000: enhancing policy and institutional capacities in the South; nurturing Technical Cooperation among Developing Countries (TCDC) knowledge networks; building TCDC partnerships; and evolving a participatory model of programme development. Support for South-South dialogue was most visible in preparatory processes for the South Summit of the Group of 77, held in Havana, Cuba, from 10 to 14 April. As the statements at the summit indicate, South-South technical cooperation is a top priority for developing countries. A survey conducted by the Special Unit for TCDC (SU/TCDC) in 2000 suggests that most developing countries have established TCDC focal points and are engaged in bilateral and multilateral cooperative arrangements driven by their TCDC policies.

140. Special efforts were made in 2000 to expand South-South networks by capitalizing on advances in ICT, for example, with the upgrading of the old Information Referral Services (INRES) database to a new Internet-based platform known as the Web of Information for Development (WIDE). Work on the Africa-Asia Business Forum project continued in 2000, with the growth in transactions among the participating companies continuing and preparations for the next Forum, to be held in Africa in 2001, also under way. More detailed information on the work of SU/TCDC is available in the most recent annual report (DP/2000/36).
F. Special funds and programmes in energy and environment

141. The GEF Unit in UNDP advises and funds countries in the preparation of policy demonstration projects that both improve the livelihoods of local stakeholders and protect local environment. It simultaneously is able to bring global benefits to the world community in several key areas: protecting biodiversity and biological resources; reducing carbon emissions associated with energy production and uses; eradicating the production of ozone-depleting substances (ODS); and safeguarding the quality and quantity of international waters. GEF has pioneered country-driven interventions for integrated ecosystem management, which also produce water-use and soil conservation benefits. In 2000, the UNDP-GEF supported $205.3 million worth of projects in all parts of the developing world and the Commonwealth of Independent States: $78.7 million for biodiversity management; $56.6 million to mitigate climate change; $40.9 million to protect international waters; $6.3 to fight ozone depletion; and $22.8 million to address critical multisectoral issues.

142. Mandated to work with countries to build their capacities to implement Agenda 21, the Capacity 21 Trust Fund has been working at the country level to provide upstream support on cross-sectoral strategies for sustainable development. Regional networks have been established in all UNDP regions to promote and facilitate learning and knowledge exchange, supported by the development of selected learning tools, including country, thematic and regional case studies, as part of the Approaches to Sustainability series. A global, independent evaluation of Capacity 21 will be undertaken in 2001 for the years 1993 to 2002.

143. UNSO developed a conceptual framework to analyze and address the links between dryland issues and poverty and it designed a programme to help countries to integrate dryland issues, including national action plans to combat desertification, into poverty reduction strategies. They held the first of a series of workshops utilizing the Global Mechanism, an instrument of the Convention to Combat Desertification (CCD), on resource mobilization to implement the CCD in Mombassa with the International Governmental Authority on Development (IGAD) and the Southern African Development Community (SADC) in October. UNSO also finalized plans to relocate from New York to Nairobi, scheduled for June 2001.

144. The Montreal Protocol Programme initiated an additional 169 activities, worth $39 million, which will result in the phasing out of 4,404 tonnes/year of ODS. These projects are located in 37 different countries, 12 of which are in Africa. They include 13 projects that will strengthen National Ozone Units and support national policy makers. The role of UNDP in advising Governments on a variety of key governance issues – such as legislative measures to control the import and export of ODS, taxation policies to encourage the use of ODS alternatives, licensing and quota systems, and other policy measures – is becoming increasingly important.

V. Resources

Overall income

145. A total of $2.39 billion was received in 2000, slightly below the $2.44 billion received in 1999. The different categories of funding are broken down as follows: (a) regular (core) resources – $634 million (28 per cent); (b) third-party co-financing, both trust funds and third party cost-sharing – $571 million (24 per cent); (c) programme country cost-sharing and government cash counterpart contribution – $940 million (40 per cent); (d) management service agreements – $143 million (6 per cent); (e) regular and other funding for UNDP-administered funds and programmes, UNCDF, UNIFEM and UNV – $71 million (3 per cent); (f) support to the Junior Professional Officer programme – $24 million (1 per cent); and (g) extrabudgetary and miscellaneous income – $8 million.

Regular resources

146. Since 1998, the Executive Board has been engaged in intensive dialogue on the issue of restoring growth and enhanced predictability to the regular funding base of UNDP, specifically with regard to developing and negotiating a sustainable funding strategy. Landmark decision 98/23 on the funding strategy for UNDP regular resources decisions and 99/1 and 99/23 on the MYFFF embody the results of these efforts. Through these decisions, the Executive Board has put in place a funding system for UNDP, designed to generate a transparent and dynamic dialogue on regular funding and to facilitate greater volume and enhanced predictability. The Executive Board adopted an annual funding target of $1.1 billion and
stressed the urgent need to achieve annual increases until the target is met. It also reaffirmed the need to reverse the downward trend in core resources and to establish a mechanism to place UNDP core funding on a predictable basis; and recognized that over-dependence on a limited number of donors carries risks for the long-term financial sustainability of UNDP. It therefore urged all countries in a position to do so to increase their core contributions. Finally, the Executive Board highlighted the links between resource mobilization, communication and advocacy and the institutional profile of UNDP. In this context, UNDP was requested to develop the MYFF, which integrates programme objectives, resources, budget and outcomes with the objective of increasing regular resources.

147. UNDP presented its MYFF to the Executive Board at the third regular session 1999 and the ROAR, the next step in the MYFF process, during the annual session 2000. Executive Board decision 2000/15, in addition to commending the Administrator and his staff for the preparation of the ROAR, encouraged further refinements of the ROAR process as an integral part of the MYFF, in consultation with members of the programme. During the third regular session 2000, the Administrator submitted proposals for revising and updating the MYFF. The Ministerial Meeting was convened on UNDP in September 2000 to bring the one element missing from the MYFF: adequate engagement at the political level between UNDP members to generate the political will needed to rebuild the resource base of the organization. The very positive outcome of the Meeting is described in paragraphs 12 and 13 and box 2 of the present report.

148. At the second annual funding meeting held in April 2000, in response to the request to provide a firm funding commitment for 2000, and firm or indicative contributions for the subsequent years, 19 countries pledged larger contributions for 2000, including nine donors from the Development Assistance Committee (DAC) of the OECD and ten programme countries. According to provisional data for 2000, total net regular income amounted to $634 million. The reasons for the shortfall in estimated net income include: (a) the sharp reduction in the level of contributions by three major donors, which accounted for over 15.8 per cent of 1999 DAC contributions to regular resources in United States dollar terms; (b) the growing strength of the United States dollar, which experienced a steady appreciation during 2000 against most currencies, including those of Europe, which constitute over 70 per cent the income base of current resources; and (c) delayed or partial payments of 2000 contributions on the part of some OECD/DAC countries.

149. The overall income figures for 2000 outlined above do not do justice to the positive signs of increased commitments, made as a result of the decision and funding strategies, to UNDP regular resources in national currencies. A total of 11 OECD/DAC countries increased contributions in local currency by a combined average of 12.8 per cent, of which three made additional contributions to regular resources at or after the Ministerial Meeting, as a signal of their commitment to rebuild political will for the organization.

150. The Executive Board and the secretariat have long recognized that over-dependence on a limited number of donors carries risks for the long-term financial sustainability of UNDP. In its decision 98/23, as noted above, the Board urged all donors and programme countries, in a position to do so, to increase their contributions to regular resources. In addition to concerted efforts by the Administrator to reach out more systematically to parliamentarians in the lead period to the second annual funding meeting in April 2000, the organization of the Ministerial Meeting in September was designed precisely to extend outreach to, and visibility among, the key political decision-makers, and to secure their engagement and commitment for common action, thereby ensuring that the resource base of the organization is rebuilt to agreed target levels.

151. To ensure the predictability of payments required by Executive Board decision 98/23, donors are encouraged both to make multi-year pledges and to announce and adhere to fixed payment schedules. In 1999, 13 countries made multi-year pledges for 2000 and 12 for 2001. As a sign of continued commitment to a sustainable funding strategy for UNDP, the number of countries making multi-year pledges increased to 17 in 2000, including eight DAC and nine programme countries, that made pledges covering the year 2001.

152. Throughout 2000, UNDP experienced significant cash flow problems as a result of irregular payments of contributions by some donors. This situation necessitated significant utilization of the operational reserve throughout 2000, with $48 million being drawn from the reserve at the end of November. The timeliness of contribution payments is essential to avoid liquidity constraints and is a key factor for the achievement of one of the MYFF goals: the greater predictability of income. During the third regular session 2000 of the Executive Board, UNDP reiterated the importance of early payments, particularly since another liquidity shortage was anticipated for January 2001. The organization suggested an optimal scenario whereby donors would agree to standard schedules for payments, thereby enabling UNDP to take measures to reduce the effects of changes in exchange rates on the predictability of income and to ensure a more predictable cash flow.
Projections based on the commitments made as of the end of April 2001 indicate that the regular resource base of UNDP should begin to climb in 2001. Current estimates for contributions to regular resources for 2001 are just over $670 million, a projected increase of 6 per cent over those for 2000. This figure, however, does not do justice to the positive increase in commitments to regular resources. Current projections for 2001 indicate that as many as 14 OECD/DAC donors will increase their contributions to regular resources in local currency terms in 2001 and that only one DAC donor will reduce its contribution in local currency terms during the year. Half of that group of donors is expected to increase by 10 per cent or more, with two donors increasing their contributions by over 36 per cent and 43 per cent, respectively. That same political commitment to an enhanced regular resource base for UNDP is again reflected in some 30 programme countries that have pledged contributions to the regular resource base of the organization, often despite considerable internal constraints. Developments in the volume of contributions to regular resources are encouraging, given that most donors have either resumed a growth path and/or sustained their growth in contributions for the second and third consecutive year. This reflects a sustained commitment to the rebuilding of the regular resource base of the organization.

The experience with multi-year pledges in 2000 provides an encouraging outlook for rebuilding the regular resource base of UNDP. In this respect, of those donor countries that were unable to make firm commitments, owing to limitations imposed by budget laws, a number of them have also provided the secretariat with an indication of their desired pledges. In all cases, pledges for future years are at least at the same level of existing contributions, with a number of donors having established the very positive precedent of using the pledge as a base from which to grow. The MYFF, therefore, continues to provide the framework for the mobilization of resources around agreed goals for the organization.

Programme countries play their role in reducing over-dependence in several important ways. In addition to providing a substantial amount of cost-sharing resources to UNDP programmes in their respective countries, programme country Governments also provide UNDP with: (a) contributions to UNDP regular resources; (b) government cash contributions towards local office cost; and (c) government in-kind contributions, such as the provisions of rent-free office premises. Of particular note has been that both government local office contributions (GLOC) payments and government in-kind contributions to UNDP were maintained at the high level achieved in 1999.

<table>
<thead>
<tr>
<th>Donors</th>
<th>Core resources</th>
<th>Non-core resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>OECD/DAC countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>100</td>
<td>40.26</td>
</tr>
<tr>
<td>United States</td>
<td>71.70</td>
<td>26.37</td>
</tr>
<tr>
<td>Netherlands</td>
<td>65.92</td>
<td>42.4</td>
</tr>
<tr>
<td>Norway</td>
<td>65.81</td>
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</tr>
<tr>
<td>Sweden</td>
<td>58.47</td>
<td>30.01</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>53.14</td>
<td>21.98</td>
</tr>
<tr>
<td>Denmark</td>
<td>50.16</td>
<td>4.70</td>
</tr>
<tr>
<td>Switzerland</td>
<td>31.52</td>
<td>9.96</td>
</tr>
<tr>
<td>Canada</td>
<td>28.58</td>
<td>4.88</td>
</tr>
<tr>
<td>Germany</td>
<td>20.05</td>
<td>1.00</td>
</tr>
<tr>
<td>France</td>
<td>14.76</td>
<td>2.95</td>
</tr>
<tr>
<td>Italy</td>
<td>12.41</td>
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</tr>
<tr>
<td>Belgium</td>
<td>11.57</td>
<td>4.94</td>
</tr>
<tr>
<td>Finland</td>
<td>11.46</td>
<td>4.53</td>
</tr>
<tr>
<td>Austria</td>
<td>5.43</td>
<td>0.14</td>
</tr>
<tr>
<td>Ireland</td>
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<td>1.41</td>
</tr>
<tr>
<td>Australia</td>
<td>4.00</td>
<td>0.14</td>
</tr>
<tr>
<td>New Zealand</td>
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</tr>
<tr>
<td>Luxembourg</td>
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</tr>
<tr>
<td>Greece</td>
<td>0.39</td>
<td>0.11</td>
</tr>
</tbody>
</table>

Top 10 programme countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>4.39</td>
</tr>
<tr>
<td>China</td>
<td>2.65</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>2.03</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>2.00</td>
</tr>
<tr>
<td>Republic of Korea</td>
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</tr>
<tr>
<td>Korea</td>
<td>-</td>
</tr>
<tr>
<td>Cuba</td>
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</tr>
<tr>
<td>Turkey</td>
<td>0.86</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>0.65</td>
</tr>
<tr>
<td>Pakistan</td>
<td>0.47</td>
</tr>
<tr>
<td>Egypt</td>
<td>0.39</td>
</tr>
</tbody>
</table>
Other resources

156. Recent trends have shown a significant increase in non-core resource contributions to UNDP. In 2000, third party co-financing contributions to UNDP amounted to $571 million, bringing the total of voluntary contributions to regular resources and third party co-financing to over $1.2 billion. Virtually all OECD/DAC donors are now active in co-financing UNDP programmes, including around themes. Programme country cost-sharing, channelled through UNDP by programme country donor Governments in support of their own development programmes, amounted to $940 million, including government cash counterpart contribution. Other resources represent an important complement to the regular resource base, permitting an extension of the impact of the programmes and fostering partnerships with a range of actors, including the European Commission, regional development banks, the World Bank and private sector institutions. The ability of UNDP to mobilize such resources depends on it having an adequate and secure multilateral base from which to provide its proven development expertise. The aggregate income figure of $2.39 billion (including funds from other sources) masks the serious financial crisis that UNDP is facing in its regular resource base. Regular and other resources are not interchangeable; other resources represent earmarked contributions to specific themes, programmes and activities and tend to be geographically concentrated. The Administrator remains firm in his belief that regular contributions remain the bedrock of UNDP and that putting the regular resource base back on a path of sustainable growth to meet agreed targets remains the top priority.

Figure 1. Total resources 1993–2003 (2001-2003 are indicative) ($ millions)

157. The total amount mobilized in 2000 for trust funds amounted to $376 million, including $68 million for the Electricity Network Rehabilitation Programme (ENRP) for Iraq (Security Council resolution 986), registering an increase of 10 per cent from the figure for 1999 of $339 million of which $83 million was for ENRP. The increase in contributions for 2000 came mainly from trust funds established for countries in special development situations and environment-related trust funds, such as GEF.

158. Cost-sharing contributions still represent a significant portion of the total income received in UNDP. As in the past, about 80 per cent of total cost-sharing contributions came from ten programme country Governments in the Latin America and the Caribbean region. Out of the total income of $1.135 billion received for cost-sharing in 2000, $940 million relates to programme country cost-sharing and $195 million to third-party cost-sharing. Programme country cost-sharing for 2000 is 6 per cent below that of 1999.
**Figure 2. Top ten government cost-sharing contributions**

- Brazil: 207
- Argentina: 142
- Colombia: 103
- Panama: 87
- Peru: 55
- Venezuela: 49
- Paraguay: 44
- Honduras: 33
- Guatemala: 29
- Uruguay: 21

Total top 10 contributions = $748 million
Percentage of total govt. contributions = 80%
Total govt. cost-sharing contributions = $934 million

**Figure 3. Top ten trust funds**

- Global Environment Facility: 80
- ENRP (Iraq): 68
- Programme of Assistance to the Palestinian People: 30
- Montreal Protocol: 23
- Crisis, post-conflict and recovery situations: 15
- Capacity-building in de-mining in Cambodia: 7
- Indonesia community recovery programme: 5
- Village employment and rehabilitation: 3
- UNDP Trust Fund for Rwanda: 3
- Cambodia Resettlement and Reintegration Programme: 3

Total top 10 recipients = $238 million
Percentage of total trust fund contributions = 64 per cent
Total trust fund contributions = $374 million
Expenditures

159. Total programme expenditures in 2000 were $2.1 billion, compared to $2.2 billion in 1999. Cost-sharing represents 60 per cent of the total programme expenditures, while core ($420 million) accounts for 21 per cent and trust fund ($397 million), 19 per cent.

160. Programme expenditures from regular resources amounted to $420 million in 2000, 22 per cent below the $541 million level in 1999 and 33 per cent below the 1998 figure of $627 million. This significant reduction in core programme expenditures was necessitated by the continuing decline in voluntary contributions.

161. The reduction in core contributions has continued to affect the Africa region severely. The programme delivery against core resources dropped sharply in the region by about 25 per cent to $154 million, from the $206 million delivery level in 1999, and by 45 per cent compared with the $278 million delivery in 1997.

162. Core programme expenditures under national execution accounted for 58 per cent ($233 million) of the total. UNOPS execution accounted for 30 per cent ($95 million) of total core programme expenditures; DESA, the United Nations Industrial Development Organization (UNIDO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Food and Agriculture Organization of the United Nations (FAO) and the International Labour Organization (ILO) collectively delivered 9 per cent ($36 million) of core expenditures.

163. Cost-sharing expenditures amounted to $1.06 billion in 2000, compared to $1.1 billion in 1999. Overall trust fund expenditures totaled $397 million in 2000, about 10 per cent higher than the 1999 expenditure level of $355 million. The increase came mainly from the UNDP Trust Fund for Rwanda, ENRP (Iraq), GEF and the Multilateral Fund for the Implementation of the Montreal Protocol.

Figure 4. Core contributions by region