

**Annual session 2001**

11-22 June 2001, New York

Item 13 of the provisional agenda

**Cooperation frameworks and related matters**

**Proposal for new UNDP country programming instruments**

**I. Background**

1. In 1995 the Executive Board decided upon new programming arrangements in UNDP (decision 95/23). Several pertinent features of decision 95/23 are:
  - (a) Recipient governments would develop country cooperation frameworks (CCFs) in consultation with UNDP;
  - (b) There would be a flexible three-tier resource allocation system which would reward “programme quality, including the degree to which programme proposals are aimed at promoting high-leverage activities in the sustainable human development focus areas...”; and
  - (c) There would be a target for regular (core) resources of \$1.1 billion per year.

At the first regular session of the Executive Board in 1996, the Administrator described the new programming guidelines of UNDP. These guidelines indicate that the CCF should be preceded by an Advisory Note prepared by UNDP and that broad country-level consultations on the advisory note should involve the local representatives of any member of the Executive Board that wished to participate. At its annual session in May 1996, the Executive Board also took note of the arrangements that the Administrator had made for reviewing the implementation of the CCFs.

2. These programming arrangements were reviewed by the Executive Board at its third regular session 1998. The basic structure agreed on in 1995 was left unchanged. At the same time, the Board approved additional measures aimed at reaching the objectives of decision 95/23, regarding both focus and resources. The pertinent decisions of the Board are 98/1 on narrowing the focus and 98/23 on the multi-year funding framework (MYFF). The latter decision calls on UNDP to develop a MYFF that integrates programme objectives, resources, budget and outcomes, in order to enhance programme impact and increase contributions to regular resources.
3. In September 1999, the Administrator informed the Executive Board of progress in developing the MYFF for 2000 to 2003 (DP/1999/30) and the related strategic results framework (SRF) (DP/1999/CRP.12). Executive Board decision 99/23 requested the Administrator to “continue to develop and refine the MYFF as a strategic management tool...to enhance the visibility and focus of UNDP...”. In particular, the Board requested the submission of a results-oriented annual report (ROAR) each year at the annual session and an overall report at the end of the 2000–2003 period. UNDP has since refined the SRF as a mechanism for sharpening its focus. The first ROAR (DP/2000/23/Add.1 and DP/2000/CRP.10) was examined by the Executive Board at its annual session in June 2000, while the second (DP/2001/14/Add.1) will be reviewed at the present session.
4. The 1998 review of the programming arrangements took place over the same period as the triennial comprehensive policy review of the United Nations system operational activities for development. At that time, the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) were in the pilot phase. While taking note of the review of UNDP programming arrangements,

the Executive Board asked the Administrator to inform the Board of the “possible implications for programming arrangements resulting from the assessment of the pilot phase of UNDAF”. In completing its triennial review, the General Assembly stressed the importance of programme country ownership, including full government participation in the process and government agreement to the finalized UNDAF (resolution 53/192).

5. As a further step towards simplifying and harmonizing processes, in June 2000, the Executive Board requested UNFPA (decision 2000/12) to initiate a working group of the United Nations Development Group (UNDG) to develop a common programme approval process. Following that decision, the Executive Committee of UNDG asked the working group to propose steps to make the CCA and UNDAF an integral part of their respective programming procedures. The outcome of the working group will be reported to the Board at the present session under agenda item 5 (DP/FPA/2001/7-DP/2001/12).
6. In document DP/2001/12, two options are presented for consideration by the Executive Board. Under both options, the CCA and UNDAF, as country-led processes, would be synchronized with the individual programming process of the UNDG agencies. The key difference is that, in Option 1, the Board would examine the country programme on one occasion only prior to its approval (similar to the method currently followed by UNDP and UNFPA), while in Option 2 there would be two occasions for examining the country programme prior to its approval (similar to the methods currently followed by UNICEF and WFP).

## **II. Discussion of specific processes and instruments**

### **A. General**

7. As outlined above, the General Assembly, the Economic and Social Council and the Executive Board have, over recent years, presented UNDP with important challenges in terms of refining its focus, becoming more results-oriented, streamlining its processes and supporting the harmonization of processes within the United Nations system.
8. The Administrator has been concerned to ensure that the introduction of new instruments and methods of work does not add to the transaction costs faced by UNDP programme countries and country offices. He has arranged for a number of internal reviews to address this concern, in particular to promote the streamlining of operational policies and procedures in the context of the larger processes of improving UNDP effectiveness and efficiency at the country level and strengthening results-based management. The recommendations that have emerged from these reviews can be grouped into two categories: those that the Administrator can implement immediately and those for which he seeks the views of the Executive Board.

### **B. Short-term measures**

9. The Administrator is pleased to inform the Executive Board that he has discontinued the requirement to prepare an advisory note (mentioned in paragraph 1 above). In his view, the CCA and the UNDAF constitute a satisfactory substitute for the advisory note. In the new UNDP Programming Manual, issued in April 1999 (DP/1999/INF.1), and in subsequent revisions, the CCA and UNDAF form part of the UNDP programming process; the Advisory Note therefore is eliminated for all countries where the United Nations country team has prepared a CCA.
10. The Administrator now intends to eliminate the advisory note in all countries. Some countries may still not have a CCA or UNDAF, because it has been determined that harmonization among UNDG agencies is not applicable or feasible. In these cases, alternative country analyses will form the basis of consultations with the Government and other local partners. These analyses may include the national human development report where available.

### **C. Measures on which the Administrator seeks the views of the Executive Board**

11. For the purposes of the presentation below, it is assumed that the country programme approval method set out in Option 1 of document DP/2001/12 would be adopted by the Executive Board. In the event that a different method is chosen, some aspects of the following proposals will need modification.
12. Option 1 provides for a country programme outline to be submitted to the Executive Board at its annual session of the year before the beginning of a new programming period. The programming period of a country will have been agreed on by the United Nations country team with the Government.
13. The Administrator envisages that the country programme outline, although similar to a CCF, would be shorter. Where information is already available in a CCA or UNDAF, in particular, cross-references or hypertext links could be provided. Another difference between the country programme outline and the current CCF would be in the presentation of objectives and expected results. These elements would be fully aligned with the SRF. The CCF terminology would be harmonized with the results-based management terminology used in the SRF. The term “outcomes”, for example, is used extensively in the SRF and in the future would be used in the CCF.
14. According to Option 1, UNDP and the Government, having taken account of the comments of the Executive Board would finalize the country programme by the end of December of that year, at which time Board members would be able to access it electronically. The Administrator proposes that the final country programme document would consist mainly of a results matrix, showing planned outcomes and indicators and key outputs depicting what UNDP will do to help achieve the outcomes. This document would be fully aligned with SRF. It would be updated annually.
15. A significant number of programme countries have limited regular (core) resources and limited non-core programmes. The workload of processing and approving the CCF in this type of country, however, is quite similar to that for a country with a very large programme. The Executive Board may wish to consider ways of reducing the burden and the costs that this implies on countries, on country offices, on headquarters units that are involved and on the Board itself. The Board may therefore wish to consider whether to encourage multi-country CCFs where the countries themselves share a number of common characteristics, have relatively small programmes and wish to proceed in this way. This may be the case, for example, for small island countries which are all serviced by the same country office. Document DP/2001/12 makes an additional proposal to limit the procedural burden. The Board, for example, may delegate authority to the Administrator to approve CCFs when the total funding amounts to less than \$3 million over five years.
16. At any given time, a small number of countries in special development situations is not able to prepare a CCF. UNDP assistance to these countries is authorized by means of individual Executive Board decisions taken on the basis of notes by the Administrator. These notes tend to vary greatly from one situation to another. While a degree of flexibility is needed, the Administrator proposes to develop a more standardized format for such notes, broadly following the structure of the proposed country programme outline.
17. An additional requirement that currently entails a significant workload is the processing of CCF extensions. CCF extensions of one year are currently approved by the Administrator and reported to the Executive Board; those for two or more years are submitted to the Board for approval. Although the documents concerned are usually only one or two pages in length, it would be more economical to present them together as two short summary reports at each session of the Board: one document, for information, that would merely list the one year extensions with one line of explanation for each (such as need to harmonize programming cycle); and the other document, for approval by the Board, that lists the two-year extensions with a paragraph or two justifying each case. In special situations, the Administrator would still submit a separate note.