Report of the Secretary-General

Implementation of General Assembly Resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR)

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SUMMARY

The present report provides an overview of the results achieved, measures taken and challenges encountered in the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system. This exercise has been reinforced by the single coherent quadrennial comprehensive policy review monitoring and reporting framework. The results of the framework are presented in this report for the first time.

Overall, notable progress has been made in implementing a number of quadrennial comprehensive policy review provisions. The funding trends that have been evident over the past decade continued in 2013. The discussions on improving the quality of resources have accelerated through the structured dialogues. Most UN entities have made a strong effort to align their strategic frameworks with the requirements of the quadrennial comprehensive policy review. The roll-out of the Standard Operating Procedures provides new momentum to improve programmatic and operational coherence and the cost sharing of the United Nations Resident Coordinator System has begun to be implemented. However, progress towards harmonization of business practices remains slow. Further work on the harmonization of the policies, procedures, rules and regulations holds potential for reducing the workload of programme countries and improving United Nations efficiency. The United Nations system also needs to further increase the use of national systems and capacities.

At this juncture of transition from Millennium Development Goals to Sustainable Development Goals, programme country governments expressed renewed expectations that the United Nations system provide coherent and integrated support, tailored to changing country needs and priorities. The Economic and Social Council dialogue on the longer-term positioning of the United Nations system will provide useful guidance in this regard.

Table of Contents

I.   Introduction

1.   The present report is submitted in response to General Assembly resolution 67/226 and intends to provide an overview of progress achieved and challenges encountered in the implementation of the resolution between 2013 and 2014[1]. For the first time, it presents the results of the single coherent quadrennial comprehensive policy review (QCPR) monitoring and reporting framework.

2.   The years 2013 and 2014 have been marked by the intergovernmental follow-up to the Rio+20 conference and particularly the deliberations and outcome of the Open Working Group on Sustainable Development Goals. The emerging unified and universal post-2015 development agenda will constitute the substantive framework for a UN development system that is called upon to further improve its fitness for purpose. The implications of the new agenda for the UN development system are becoming clearer and the present QCPR cycle presents an opportunity to enhance effectiveness and efficiency that would help in better positioning the UN development system.

3.   A number of major restructuring exercises took place or were initiated during the period under review, including WHO and UNDP. UNDP undertook a major exercise aiming at moving more support services to regional hubs, reducing their New York-based staff footprint by close to 30 percent.

4.   Programme country governments are demanding more coherent support from the UN development system on all three dimensions of sustainable development, support to sustainable development policy and poverty eradication as well as a stronger focus on the development and use of national capacity. Towards that end, the UN development system must pull its strengths together, while leveraging the strengths of other actors.

5.   ECOSOC, through its resolution 2014/14 mandated a dialogue on the longer-term positioning of the United Nations development system, taking into account the post-2015 development agenda, including on the interlinkages between the alignment of functions, funding practices, governance structures, capacity and impact of the United Nations development system, partnership approaches and organizational arrangements. While the present report was not requested as a basis for that specific dialogue, it serves the purpose of enabling the ECOSOC to fulfill its role of review and monitoring of the implementation of the QCPR.

6.   This report has been prepared in consultation with the UN development system. The strategic plans and annual reports of Funds and Programmes have been one of the major information sources for this report. It has also benefited substantially from the surveys of programme country governments, agency headquarters, Resident Coordinators and UN Country Team operations management teams administered by DESA, the United Nations Development Group (UNDG) Coordination Survey administered by DOCO and the financial statistics database and reporting system that is managed by the CEB. The online background material for this report

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[1] This report reports on progress achieved in 2013 on the basis of the annual reports of UN entities, which also reported on the same timeframe. Nevertheless, the inputs to this report including the surveys and those provided by UN entities to a large extent cover the year of 2014. Therefore, this report also covers progress achieved in 2014 to the extent to which data is made available.

includes a methodological note on these surveys as well as a technical note on sources and coverage of the information presented.[2]

II. Funding of operational activities of the United Nations system for development

Structure and coverage of the chapter

7.   A number of entities have specific mandates in regard to United Nations Operational activities for development (UN-OAD).

8.   The UN Development System (UNDS) is composed of the 34 entities[3] that receive contributions for operational activities for development.   These entities are 12 Funds and Programmes   [UNDP (incl. UNV, UNCDF), UN women, UNFPA, WFP, UNICEF, UNHCR, UNAIDS, UNCTAD (inc ITC), UNEP, UN-Habitat, UNODC, and UNRWA]; 13 Specialized agencies [FAO, IAEA, UNESCO, ILO, ICAO, IMO, ITU, UNIDO, UPU, WIPO, WHO, WMO, and UNWTO]; and 9 other entities [ECA, ECE, ESCAP, ESCWA, ECLAC, OCHA, DESA, IFAD, OHCHR].[4]

9.   In response to Economic and Social Council resolution 2013/5, the full analysis of funding of United Nations operational activities for development (UN-OAD), previously presented in separate reports, has been merged into this report.

10.   The present chapter is structured according to the main sections of resolution 67/226 and the monitoring and reporting framework that was developed upon request by the Economic and Social Council in its resolution 2013/5 and presented in Annex I.

11.   Further details, information and analyses on the many aspects and characteristics of funding of UN-OAD can be found on the QCPR website[5].

United Nations system-wide activities

12.   UN-OAD cover activities with a longer-term development as well as activities with a shorter-term humanitarian assistance focus.[6] Contributions to UN-OAD in 2013 amounted to $26.4bn and accounted for about 63 per cent of all United Nations system-wide activities (see Fig.I).

Fig. I

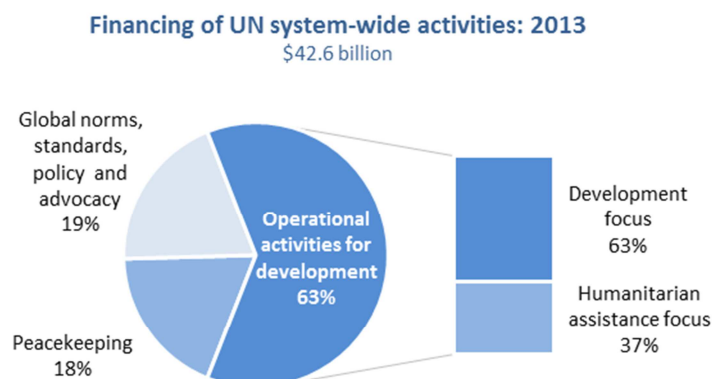[2] See http://www.un.org/en/ecosoc/newfunct/qcpr_implement.shtml

[3] 37 if UNV, UNCDF and ITC are counted separately

[4] Detailed statistical data used as the basis for the presentations and analyses in the present chapter are contained in the Statistical Annex which is available on the QCPR website.

[5] http://www.un.org/en/ecosoc/qcpr/index.shtml

[6] See technical note on definitions on the QCPR webpage

Financing of UN system-wide activities: 2013
$42.6 billion

Global norms, standards, policy and advocacy 19%

Operational activities for development 63%

Peacekeeping 18%

Development focus 63%

Humanitarian assistance focus 37%

13.   With regard to the distinction between development-related and humanitarian assistance-related activities, no harmonized system-wide classification exists. For purposes of the present report, and pending the introduction of a harmonized classification system, all activities of UNHCR, UNRWA, the Office for the Coordination of Humanitarian Assistance, emergency operations of UNICEF (some 28 per cent of all UNICEF activities) and humanitarian operations of the World Food Programme (WFP) (some 93 per cent of all WFP activities) are considered to be humanitarian assistance-related. Accordingly all other activities are treated as being development-related. Many of the more detailed analyses contained in the current report concern the development-related activities in particular.

Core and non-core resources

14.   UN-OAD are funded by a combination of so-called core and non-core resources. Core resources are those that are not earmarked and commingled without restrictions. Their allocation and use are directly linked to the multilateral mandates and strategic plan priorities of entities as legislated by their governing bodies through an established intergovernmental process.

15.   In contrast, and as determined by the contributors, non-core resources are mostly earmarked and thus restricted with regard to their allocation and application. There is therefore not necessarily an optimal link between activities financed by non-core resources and the multilateral mandates and strategic plan priorities legislated by governing bodies. In some instances governing bodies formally approve the use of core resources while only "taking note" of the use of non-core resources. Some 7 per cent of non-core resources are in the form of so-called local resources, which are resources that programme countries and local partners contribute to entities for programming in their own country. Whenever so indicated and deemed appropriate, this component is excluded in some of the analyses presented in this chapter.

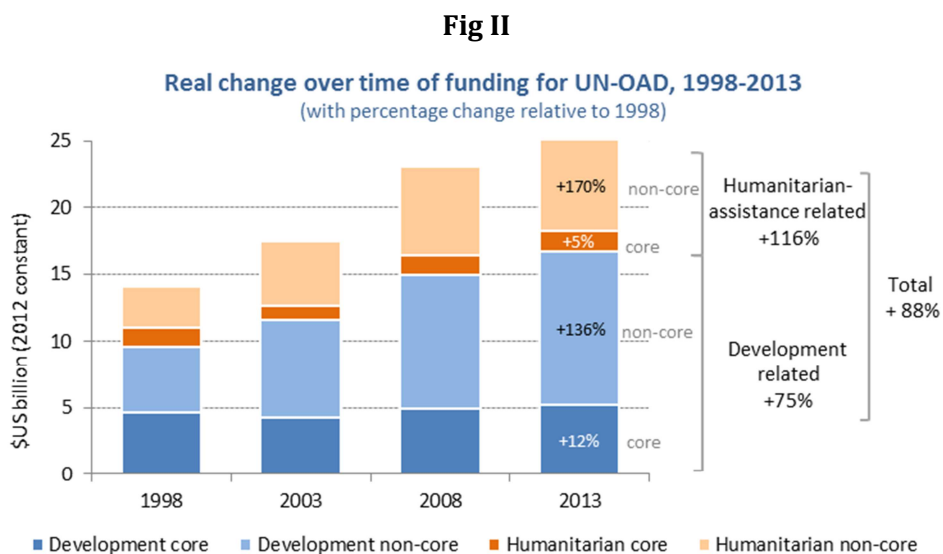16.   Financing of UN-OAD in the form of earmarked non-core resources has grown significantly over time and accounted for some 75 per cent of total resources in 2013, compared to 56 per cent in 1998. Looking at development-related activities alone, by excluding humanitarian assistance activities, non-core resources accounted for some 69 per cent of total resources in 2013, compared to 51 per cent in 1998.

17.   More extensive information on aspects and characteristics of the two types of financing is provided as part of the background material available on the QCPR website.[7] In this connection, reference is also made to a recent report of the Development Co-operation Directorate of OECD, published in 2014, on current practices and possible ways to making earmarked funding more effective.   The paper, which is also included as background material on the QCPR website, constitutes one of the chapters of the forthcoming OECD multilateral aid report.

18.   The online background material also contains further information and references to (i) opportunities and challenges relating to system-wide reporting; (ii) technical aspects of comparisons and trend analyses in "current" and "real" terms; and (iii) the definition of Official development assistance (ODA) which is used as a reference in comparisons between UN-OAD and other development assistance.

A. General principles

19.   Real-term growth of funding for United Nations operational activities for development has generally been positive over the period 1998 to 2013 for both development and humanitarian assistance-related activities. Growth in core resources has, however, been minimal compared to growth in non-core resources (see figure II)., The consequent imbalance between the two sources of financing and the allocation of institutional resources to non-core financed activities are central to the discussion about cost recovery and the critical mass of core resources required for United Nations funds and programmes to maintain and continually develop capacities to deliver on their multilateral mandates, including through core programme activities on the ground (see paras 46-53 and paras 67-73).

Fig II

Real change over time of funding for UN-OAD, 1998-2013
(with percentage change relative to 1998)

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[7] See http://www.un.org/en/ecosoc/newfunct/qcpr_implement.shtml

20.   Some 71 per cent of the $25.8 billion in expenditures for UN-OAD in 2013 is allocated to programme activities at the country level. About one-third of all expenditures, or $8.4 billion, were spent in Africa (see Fig III). The share of UNOAD carried out in Western Asia has increased from 8 per cent in 2011 to 13 per cent in 2013. Over three-quarters of expenditures in this region related to humanitarian assistance activities.

21.   Some 29 per cent of total expenditures are focussed on (i) programme activities at the regional and global levels; (ii) programme support and management; and (iii) activities that could not be attributed to any of the above categories. Programme support and management costs are those that in quadrennial comprehensive policy review-related discussions on cost recovery have been defined as non-programme costs and include what some entities refer to as development effectiveness.[8]

Fig . III
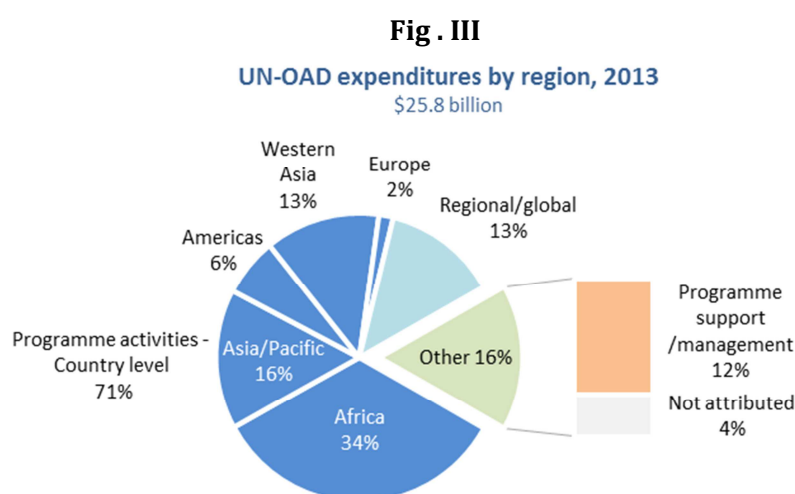
22.   As far as the distribution and degree of concentration of total 2013 country-level programme expenditures is concerned, the top 50 programme countries accounted for 82 per cent of the total with the top five[9] alone accounting already for some 21 per cent (see Fig IV). Programme expenditures in Afghanistan were by far the highest ($1,218 million), 61 per cent of which were on account of UNDP ($742 million). Except in the case of Afghanistan, humanitarian assistance dominated the activities in countries with the highest total programme expenditures.

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[8] See technical note on definitions available on the QCPR website
[9] Afghanistan, Ethiopia, South Sudan, Jordan, Sudan

Fig. IV

UN-OAD expenditures in the top 50 programme countries, 2013
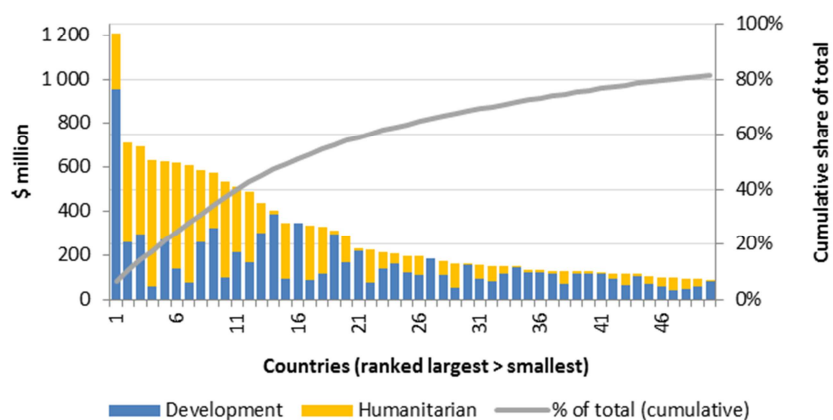
23.   Of the 10 countries with the highest programme expenditures, 8 have a UN Humanitarian Coordinator. A full list of programme expenditures by programme country, type of activity (development- and humanitarian assistance-related) and type of funding (core and non-core) is provided in table B-2 of the online statistical annex.

United Nations entities

24.   Funding is concentrated in a relatively small number of United Nations entities, with the top 10 (UNDP, WFP, UNICEF, WHO, UNHCR, FAO, UNRWA, UNFPA, ILO and UNESCO) accounting for 88 per cent of all contributions in 2013.[10] For UNFPA, ILO and UNRWA the core and non-core components of funding were roughly the same, but for the 5 largest entities the non-core component exceeded the core component by a significant margin (see Fig. V). Compared to 2012, contributions to WFP, UNHCR and humanitarian assistance related activities of UNICEF increased significantly.   A full list of contributions over the past eight years, by entity and type of funding (core and non-core), is provided in table A-2 of the online statistical annex.

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[10] WFP received $383 million in 'multilateral contributions' in 2013. These are WFP's most flexible type of contributions and for the purposes of this report are considered to be the equivalent of core resources., For the most part, these multilateral contributions are restricted to programme activities. In some instances limited amounts have, with donor agreement, been used for programme support activities.

Fig V

Contributions received by UN entities for UN-OAD in 2013
$26.4 billion
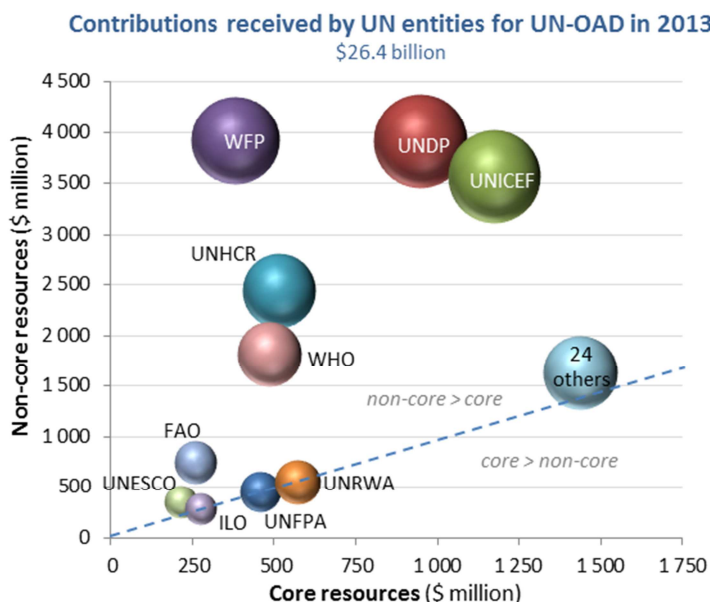
Sources of funding

25.   Some 75 per cent of total contributions in 2013 were made by Governments directly, both DAC and non-DAC (see figure VI). This includes the contributions made to the United Nations multi-donor trust funds that are managed by the UNDP Multi-Partner Trust Fund Office on behalf of the United Nations development system.[11] The remaining 25 per cent is accounted for by the European Commission and other multilateral institutions (including global funds) which themselves are mostly financed by Governments and by non-governmental and private sources.

Fig VI

Sources of funding for UN-OAD, 2013
$26.4 billion

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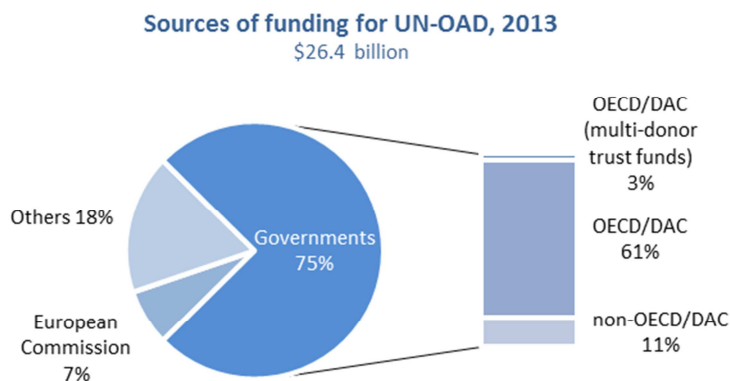
[11] Multi-donor trust funds were 97 per cent financed by DAC Governments in 2013 and are reflected separately.

26.   A complete list of contributions by donor, type of activity (development- and humanitarian assistance-related) and type of funding (core and non-core) is provided in table A-3 of the online statistical annex. Figure VII below shows this information for the group of main contributors that together account for 88 per cent of total funding. Information on individual donors excludes their contributions to multi-donor trust funds[12], the European Commission and other multilateral institutions (including global funds). These are combined into groups and shown separately in Figure VII below.

Fig VII
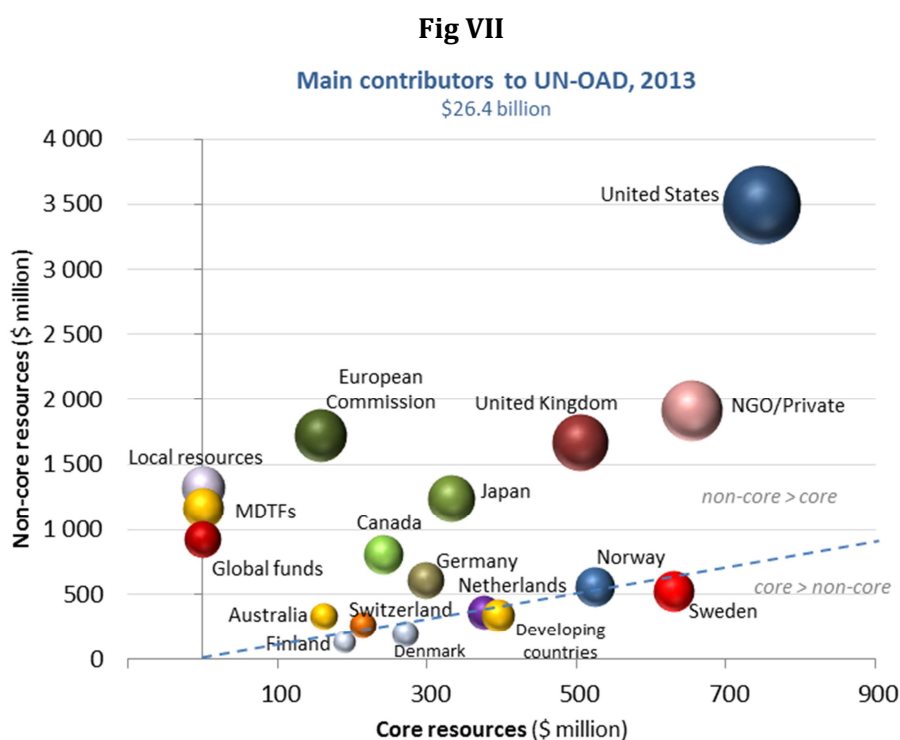
UN-OAD and ODA

27.   The United Nations development system accounts for 29 per cent of direct multilateral funding as reported by OECD/DAC (see figure VIII below) and is the second-largest channel for this type of funding behind the European Commission. From 2009 until 2012 the United Nations had been the largest single channel of direct multilateral funding.[13]

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[12] Funding received by UN entities from the Central Emergency Response Fund is included under 'multi-donor t rust funds'
[13] Comprehensive tracking of aid-flows channeled through the multilateral system began in 2009.

Fig VIII

Channels of multilateral aid, 2013
Total $74.8 billion

Other 15%
World Bank Group 19%
Regional Development Banks 6%
European Commission 31%
United Nations development system 29%
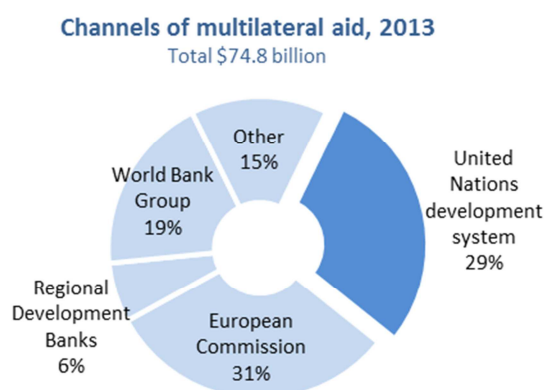
28.   Taking also into account the bi-lateral resources (excluding local resources) that are channelled through the UN development system as earmarked non-core resources, total funding was equivalent to some 18 per cent of OECD/DAC-reported total ODA flows (excluding debt relief) in 2013. Figure IX shows that between 1998 and 2003, contributions to UN-OAD grew faster in real terms than both total ODA and core multilateral ODA, before growth in ODA increased to a level similar to growth in funding for UN-OAD from 2003 to 2008. Both growth rates slowed in the years corresponding to the aftermath of the global financial crisis, prior to rebounding in 2013. [14]

Fig IX

Average annual growth-rates of ODA and UN-OAD
Real terms, 1998-2013 (excluding local resources and debt relief)
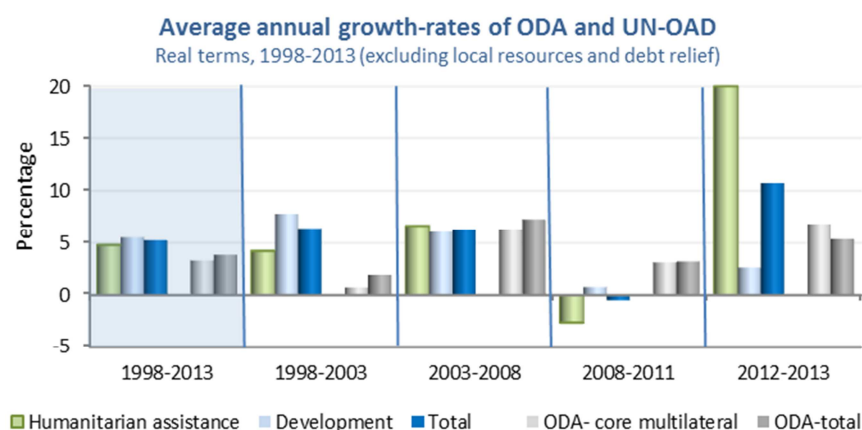
Percentage

1998-2013   1998-2003   2003-2008   2008-2011   2012-2013

☐ Humanitarian assistance   ☐ Development   ■ Total   ☐ ODA- core multilateral   ■ ODA-total

29.   A comparative analysis of UN-OAD and total ODA at the country level shows that UN-OAD (excluding local resources) accounted for more than 40 per cent of total ODA in 19 countries, i.e. 13 per cent of programme countries in 2012 (see figure X below). [15] These 19 countries[16] combined

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[14] The change in accounting standards in 2012 from the United Nations system accounting standards to the International Public Sector Accounting Standards (IPSAS) by a number of entities does not allow for meaningful comparisons between 2011 and 2012. Accordingly, the most recent 5-year period is shown in two separate parts in Figure IX.
[15] At the time of writing this report, data on ODA disbursements by programme country for 2013 were not yet available.

accounted for some 18 per cent of total country-level UN-OAD expenditures of which 57 per cent was humanitarian-assistance related. At the other end of the spectrum, UN-OAD accounted for less than 10 per cent of total ODA in 51 programme countries. This group of 51 countries accounted for some 11 per cent of total country-level UN-OAD of which 17 per cent was humanitarian-assistance related. Out of these 51 countries, 43 are classified by the World Bank as middle-income countries. Most of UN-OAD (55 per cent of which 44 per cent humanitarian-assistance related) were in programme countries where UN-OAD accounted for between 10 and 30 per cent of total ODA.

30.   The information provided in figure X represents the combined financial flows of the entire United Nations development system. On average, 15 different United Nations entities operate in low and low-middle income countries and, as shown, account in many cases for less than 10 per cent of total ODA. From a funding perspective, the United Nations development system appears to be most relevant in countries in transition situations (gauged by the presence of a UN Humanitarian Coordinator). In 58 per cent of transition countries operational activities for development accounts for at least 20 per cent of total ODA.

Fig X
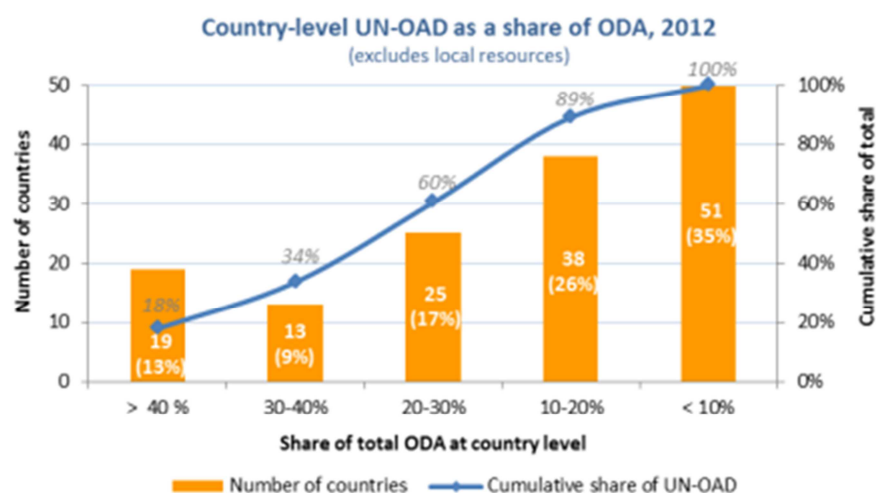
DEVELOPMENT-RELATED ACTIVITIES

31.   The following information and analyses relate to development related activities only. These account for 63 per cent of total UN-OAD.

General distribution and degree of concentration

32.   While figure VIII contains an analysis of expenditure components for UN-OAD as a whole, figure XI shows the analysis for development-related expenditures (including local resources) only. Some 64 per cent of development-related expenditures in 2013 concerned programme activities at the country level, of which about $4.8 billion were spent in Africa. Accordingly, 36 per cent of total expenditures concerned programme activities at the regional and global levels, programme support and management, and activities that could not be attributed to any of the above categories.

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[16] Chad, China, Cuba, DR Korea, Guinea, Indonesia, Iran, Malaysia, Myanmar, Niger, Philippines, Somalia, South Sudan, Syrian Arab Republic, Thailand, Uruguay, Venezuela, Yemen and Zimbabwe.

Fig XI

Expenditures on development-related activities, by region (2013)
$17.0 billion
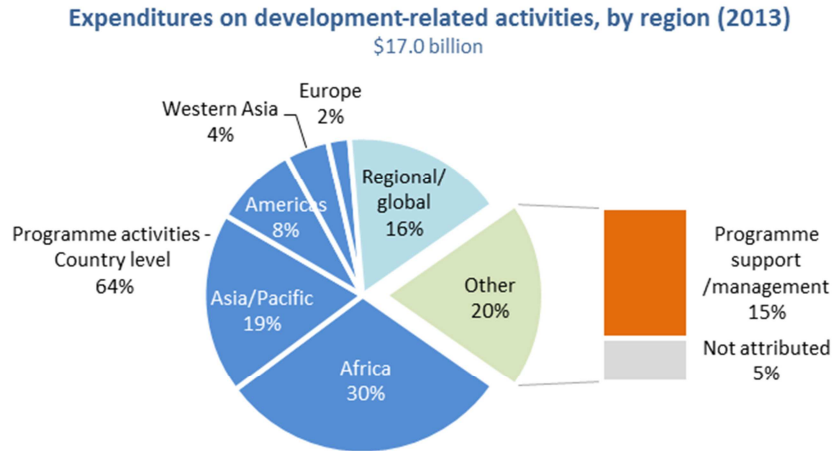
33.   Figure XII provides an overview of the general distribution and degree of concentration of 2013 development-related programme expenditures (excluding local resources) by country and by type of funding (core and non-core) ranked according to decreasing core resources expenditure. For presentation purposes, expenditures in excess of $300 million are not shown. Table 1 shows the top 10 programme countries which together accounted for close to 37 per cent of total development related expenditures in 2013 with an indication of expenditures per capita.

34.   Although the distribution may differ for individual entities the analysis suggests that for the UN development system as a whole the correlation between the allocation of core and non-core resources among programme countries is uneven.
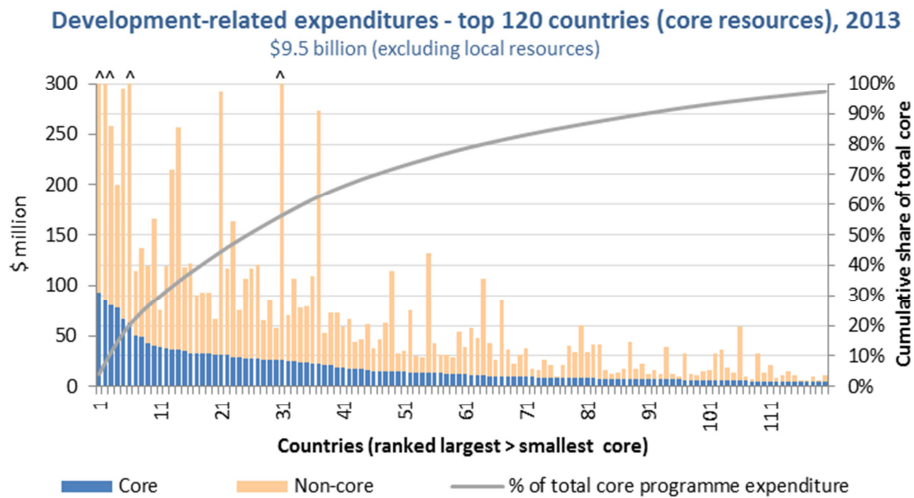
Fig XII

Development-related expenditures - top 120 countries (core resources), 2013
$9.5 billion (excluding local resources)

Table 1
Programme expenditures in top 10 programme countries, 2013
Development related activities (excluding local resources)

Rank	Programme country	Development related expenditures ($ million)			Per capita ($)
		Core	Non-core	Total	
1	Afghanistan	63	892	954	27
2	Nigeria	93	281	374	2
3	Dem Rep of the Congo	85	238	323	5
4	Zimbabwe	26	275	300	24
5	Bangladesh	67	229	295	2
6	South Sudan	31	261	292	28
7	Sudan	22	251	273	8
8	Ethiopia	81	177	258	3
9	Somalia	36	221	257	27
10	Pakistan	37	178	215	1

Development-related programme expenditure by country groupings

35.   For review of UN-OAD and development assistance in general, reference is often made to country groupings that are based on certain common attributes and characteristics. Some of the groupings are based on defined, inter-governmentally agreed lists, while others are not. The latter is the case with regard to groupings based on attributes such as conflict/post-conflict, crisis/ post-crisis and different forms of transition. Additional background information on the groupings used for the current analysis is provided on the QCPR website as part of the background material for this report.

Fig XIII

Development-related operational activities by major country groupings, 2013
$9.8 billion (excluding local resources)
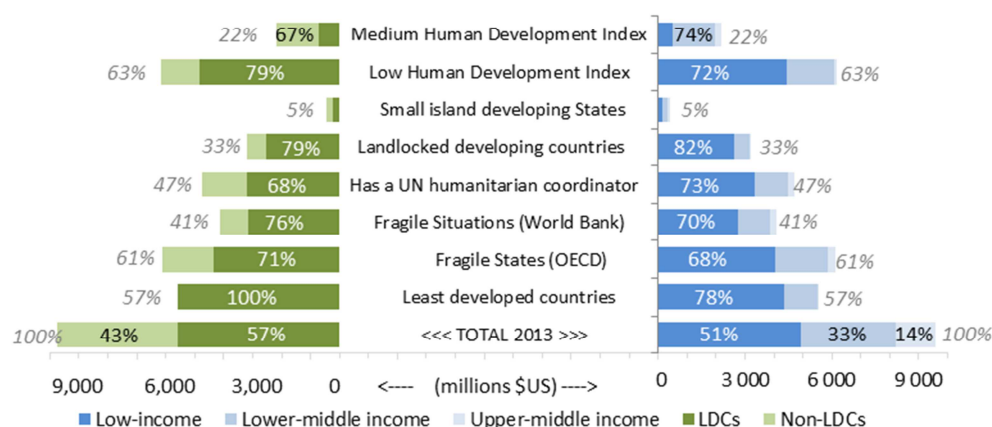
36.   Figure XIII provides an overview of how country-level development-related core and non-core programme expenditures were distributed among the country groupings by different income

levels (World Bank 2013). Low-income countries accounted for just over half of total expenditure on development-related activities. Least developed countries accounted for 57 per cent of total development-related expenditure, an increase from the 53 per cent share in 2012. Some 78 per cent of these expenditures were in low-income least developed countries. Countries with a low human development index rating accounted for some 63 per cent of expenditures, about 79 per cent of which were in least developed countries.

United Nations entities

37.   Ten UN entities (UNDP, UNICEF, WHO, FAO, UNFPA, ILO, UNESCO, IFAD, UNODC and WFP) account for 88 per cent of all contributions for development-related activities in 2013 (see Fig XIV). The top three accounted for 63 per cent and UNDP, as by far the largest entity alone, for some 29 per cent. The 24 entities not shown separately in Figure XIV — or 69 per cent of those covered by the present report — accounted for the remaining 12 per cent. The non-core component of funding for almost all entities exceeds the core component, sometimes by a significant margin. In the case of UNDP non-core contributions in 2013 accounted for 80 per cent of total contributions. Of these, about 45 per cent was accounted for by local resources (28 per cent) and two global funds, namely, the Global Fund to Fight AIDS, Tuberculosis and Malaria (10 per cent) and the Global Environmental Facility (7 per cent).

Fig XIV

Main entities for UN development related activities, 2013
$16.8 billion
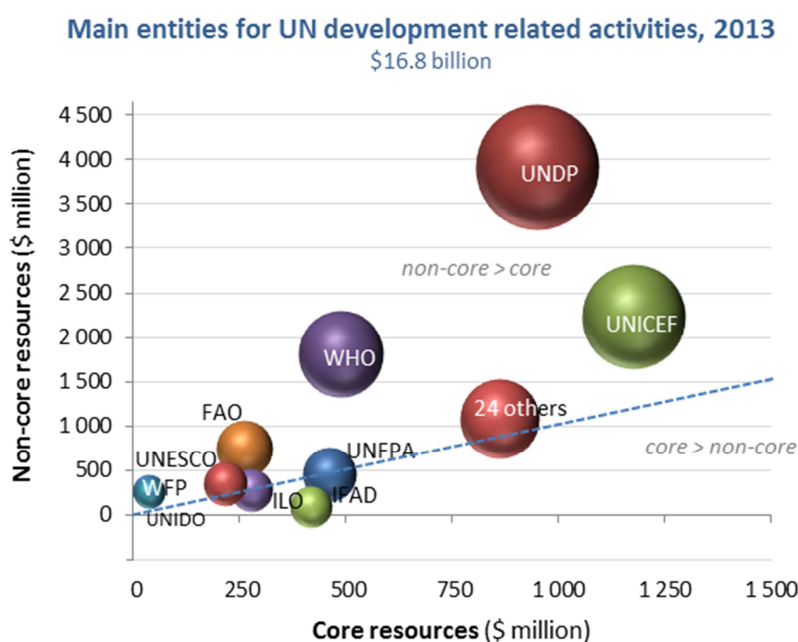
Sources of financing

38.   Similar to figure VII, figure XV below provides further comparative information on contributions by total and type of funding (core and non-core) by main contributors that together account for 85 per cent of total funding for development-related activities. The core component of contributions by DAC Governments for development-related activities (excluding contributions to multi-donor trust funds) was 44 per cent in 2013. Figure XV illustrates that the combined impact on the global imbalance between core and non-core resources of local resources, contributions by the European Commission, Global Funds, Multi-donor trust funds and non-governmental and private sources is significant.

Fig XV

Main contributors to UN development related activities, 2013
$16.8 billion
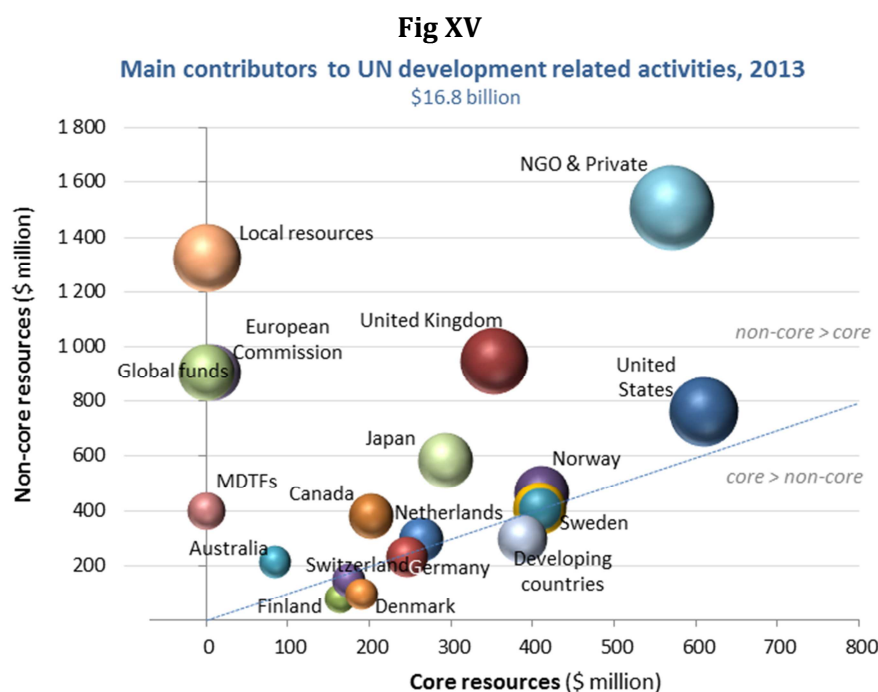
39.   Contributions from developing countries for development-related activities (excluding local resources) were some $683 million in 2013, with about 57 per cent of this funding coming in the form of core resources. In addition, and as shown separately in figure XVI, developing countries contributed some $1.3 billion in the form of non-core local resources for development-related activities in their own countries.

Non-core funding modalities

40.   In 2013, some 92 per cent of non-core funding for development related activities was mainly single-donor and project specific. This included local resources and resources from the global funds, sometimes referred to as vertical funds (see figure XVI). These funds focus 'vertically' on specific issues or themes and are special in that they are not directly managed by the UN entity through which resources are channelled. They usually have their own funding, governance, trustee, policy and programming arrangements, and fund resources are earmarked for specific purposes. Examples are Global Environment Facility, The Global Fund To Fight AIDS, Tuberculosis and

Malaria and the Montreal Protocol. Contributions to pooled funding arrangements, such as thematic funds of entities and multi-donor trust funds, including "One United Nations" funds, accounted for the remaining 8 per cent of non-core resource flows. The dominance of single-donor and project specific contributions reflects the current high degree of fragmentation of earmarked non-core funding. The different pooled funding arrangements are further reviewed in section II.C. Improving the predictability and quality of resources.

Fig XVI

Non-core funding modalities for UN development-related activities, 2013
$11.6 billion
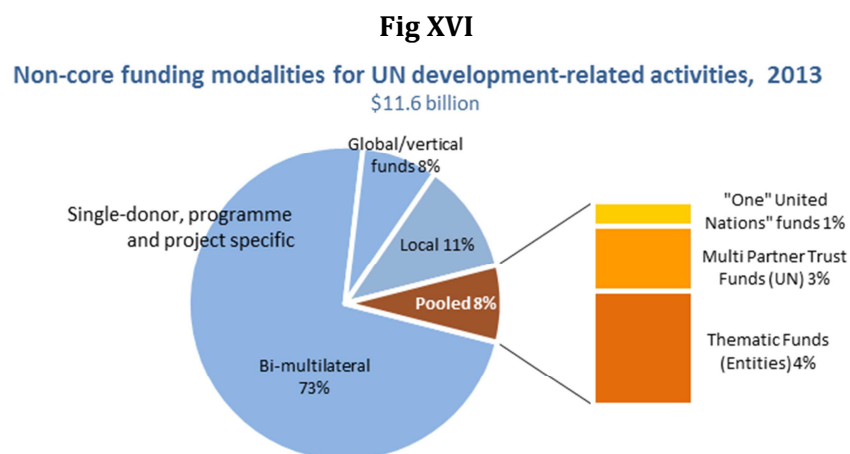
B. Enhancing overall funding, in particular core resources

41. As illustrated in Fig II, real-term growth of total funding for development-related UN-OAD has generally been positive over the period 1998 to 2013. Growth in core resources has, however, been minimal compared to growth in non-core resources. This trend and the consequent imbalance between the two sources of financing is central to the discussion on the critical mass of core resources required for United Nations entities to maintain and continually develop capacities to deliver on their legislated multilateral mandates and strategic plan priorities.

42. With regard to sources of financing for development-related activities only (63 per cent of total UN-OAD), four distinct groups of contributors emerge by the end of the period from 1997 to 2013 indicating a broadening of the funding base over time. Figure XVII shows that the share of contributions coming directly from DAC and non-DAC countries declined from 87 per cent in 1997 to 71 per cent in 2013. It should be noted that contributions from DAC and non-DAC countries increased by 56 per cent in real terms during this period, so the decline in share is due to a more rapid growth in funding by multilateral organizations, global funds, non-governmental and private sources. In 2013, development-related contributions from this group amounted to some $4.8 billion, or roughly 29 per cent of the total, with major sources as follows: global funds ($904 million); European Commission ($911 million); other intergovernmental organizations ($606 million); and non-governmental organizations and private sources ($2,074 million). The latter category includes contributions by UNICEF national committees ($1,143 million). In 2007, the share was 26 per cent, indicating that the broadening of the funding base has continued in the shorter term.

43.   In the context of preparing the present report all major funds, programmes and agencies confirmed having received contributions from new sources over the last 18 months. They also confirmed that they report to their governing bodies on specific measures to further broaden the donor base[17], including in the context of structured dialogues with governing bodies on how to finance the development results agreed upon in the new strategic planning cycle[18].

Fig XVII

Main sources of funding, 1997-2013
Development - related operational activities
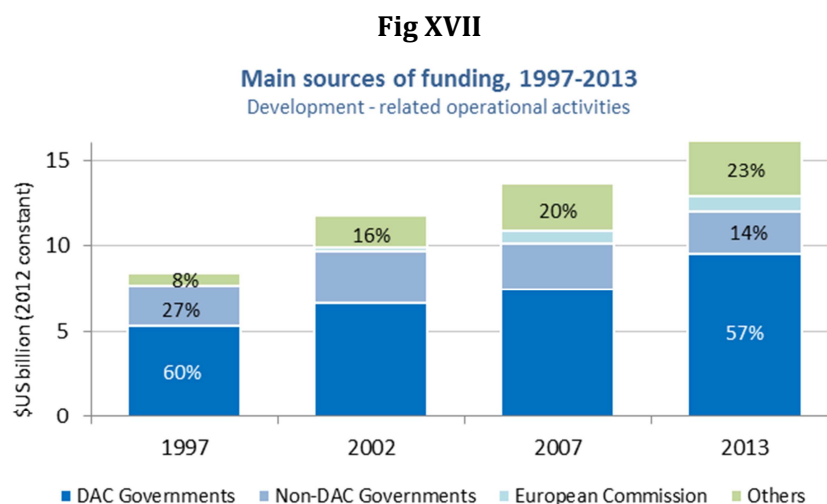
44.   The Joint Inspection Unit (JIU), as part of its programme of work for 2013, undertook an analysis of the resource mobilization function within the United Nations system and issued its report in 2014[19]. The report contains five recommendations, two of which are addressed to the legislative bodies of the United Nations system organizations. These relate to (i) the periodic review of resource mobilization policies and strategies and oversight of implementation; and (ii) a request to member states, when providing earmarked contributions to make them predictable, long term and in line with the core mandate and priorities of the organizations. The three recommendations addressed to the executive heads of organizations deal with (i) the putting in place of clearly identifiable structures and arrangements, as applicable, with primary responsibility for resource mobilization, for systematic implementation and coordination of   resource mobilization policies and strategies, for monitoring and for updating; (ii) the importance of risk management and due diligence processes for resource mobilization; and (iii) the importance of dialogue with donors to agree upon common reporting requirements with a view to reducing the reporting burden and associated costs.

Critical mass of core resources and structured dialogues

45.   With regard to the concept of critical mass of core resources and the definition of common principles thereof[20], a consensus has emerged that the concept can best be developed and discussed within the larger context of structured dialogues between entities and governing bodies

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17   Operative paragraph 35 of Res/67/226
18   Operative paragraph 46 of Res/67/226
19   JIU/REP/2014/1
20   Operative paragraph 39 of Res/67/226

on how to finance the development results agreed upon in the new strategic planning cycle[21]. Such approach allows core resources to be considered in an integrated manner that takes account of the complementarity between core and non-core resources.

46.   All major funds and programmes either initiated or continued such structured dialogues during 2014. UNDP, UNICEF and UNFPA (with the participation of UN Women and WFP) developed common *principles for the concept of critical mass of core resources*:   (a) reflects the funds needed to achieve the outcomes as stated in each entity's strategic plan; (b) is the minimum level of resources adequate to provide the foundation from which to respond to the needs of the programme countries and deliver the results of the respective strategic plans; (c) reflects the specific mandates and business models of each agency; (d) ensures that agencies are able to respond to changing contexts/needs, including emergencies, in a stable manner and in line with their strategic plans.

47.   First presented and discussed during a joint informal meeting with member states in December 2013, these common principles formed the basis for continued dialogue between individual entities and their respective governing bodies on several occasions during 2014, taking full account of the specific mandates and business models of the entities concerned.   In the case of UNICEF, for example, the Executive Board agreed to not define any specific level of critical mass of core resources while recognizing that a critical mass of resources are the total resources required to achieve the results of the approved Strategic Plan. In discussing the possibility of defining a minimum level of relatively flexible resources however, Member States acknowledged numerous benefits to increasing the proportion of UNICEF resources that is not tightly restricted.

48.   Similar understandings emerged from the dialogues pursued by other entities. UNDP, for example, has developed the concept of "critical mass plus (CM+)". This calls for a shift from a high proportion of tightly earmarked non-core resources (currently 76 per cent of total resources) towards a higher proportion of core and minimally earmarked non-core resources (target of around 55 per cent) , thereby providing more flexible and predictable funding for development. According to UNDP, acceptance of a concept such as CM+ towards longer-term reliance on greater regular and minimally earmarked funding, would significantly improve its ability to reinforce and sustain the higher standards of quality, timeliness, flexibility, efficiency, effectiveness and accountability demanded by its Strategic Plan, thus allowing the organization to follow-through on the development and programmatic logic of the plan.

49.   For UNAIDS, discussions during its financing dialogue focused on the need to ensure the sustainability and predictability of UNAIDS core funding; the need for further expansion of the donor base (including middle-income countries); and the need for strengthened communication on results.

50.   Another example is UNEP's funding strategy for secure, stable, adequate and increased financial resources particularly through increased UN Regular Budget appropriations based on General Assembly resolution 67/213 of December 2012 that strengthened and upgraded the mandate of UNEP and contributions to its Environment Fund.

51.   WFP does not apply the same core/non-core resources classification model as other funds and programmes. During consultations over the course of the year, its Executive Board did not express any interest in shifting to a core resources funding model as such. However WFP also faces the challenge of having a high level of restricted earmarking for the majority of contributions.   An

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[21]   Operative paragraph 46 of Res/67/226

imbalance between flexible, un-earmarked and (tightly) earmarked resources equally affects WFP's ability to effectively and efficiently achieve strategic plan results. WFP will continue the dialogue in 2015.
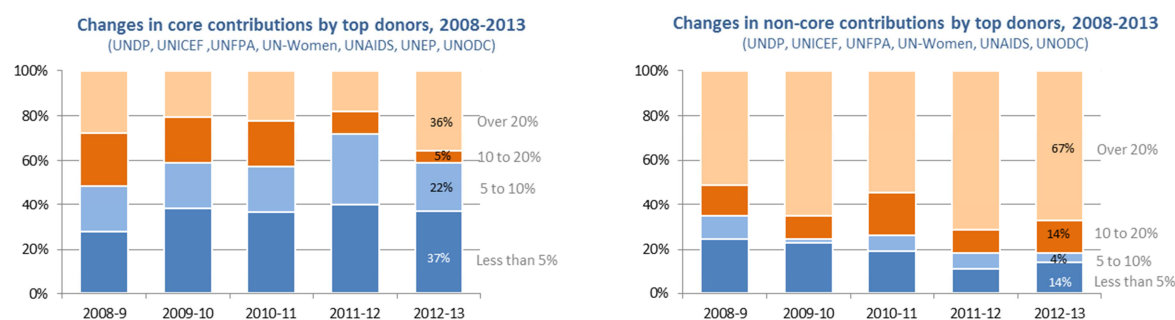
52.   As for UNDP, UNICEF, UNFPA and UNWomen, through their respective decisions[22] the Boards took note of the consultative process with Member States regarding possible approaches to critical mass of core resources and with General Assembly resolution 67/226, of the common principles for the concept of critical mass as developed by UNDP, UNICEF and UNFPA (with the participation of WFP and UNWomen). The Boards further decided to organize, on an annual basis, structured dialogues with Member States to monitor and follow-up on the predictability, flexibility and alignment of resources provided for the implementation of the strategic plans, including information on funding gaps. To that end UNDP, UNICEF, UNFPA and UNWomen were requested by their Boards to present a resource mobilisation strategy and/or strategic brief for consideration in 2015. WFP already holds regular consultations on financing with its Executive Board in the course of preparing its annual Management Plan.

C. Improving the predictability and quality of resources

53.   In previous reports, elements of predictability, reliability and stability of funding were reviewed for a number of entities by examining actual fluctuations in contributions and the impact thereof on the availability of total resources over time. It was shown that, in general, there was a relatively smooth and stable movement in total core and non-core resources to these entities.

54.   A more detailed review however shows that the volatility in contributions from top donors is much more pronounced than the changes in total contributions (core and non-core) would suggest. Funding from individual sources can fluctuate considerably from one year to the other, especially in the case of non-core resources. For core resources, 36 per cent of 2013 contributions from main donors to UN funds and programmes had either increased or decreased by more than 20 per cent compared to 2012,. As for non-core resources, 67 per cent of 2013 contributions by main donors either increased or decreased by more than 20 per cent compared to 2012. Since 2009, there has been an increasing trend of high fluctuations (see figures XVIIIa and XVIIIb).

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[22]   UNDP 2014/24; UNICEF 2014/17; UNFPA 2014/25; UNWomen 2014/6

Fig XVIIIa and Fig XVIIIb[23]

Changes in core contributions by top donors, 2008-2013
(UNDP, UNICEF ,UNFPA, UN-Women, UNAIDS, UNEP, UNODC)

Changes in non-core contributions by top donors, 2008-2013
(UNDP, UNICEF, UNFPA, UN-Women, UNAIDS, UNODC)

55.   The outcome so far has included a general acknowledgement of the fact that the degree of earmarking of funding affects the manner in which resources can actually be aligned to strategic plan outcomes and thus to more effective and efficient longer-term and responsive programming , partnership-building and complementarity within and beyond the United Nations development system. Only a successful alignment in this regard can drive important programmatic shifts that are necessary to deliver better outcomes across a broad spectrum of concerns.

Pooled funding approaches

56.   In order to improve the predictability and quality of resources a number of funding modalities have been developed over time whereby non-core funding from different sources are pooled at the level of individual entities and/or among entities. The emergence of these modalities can be seen as a result of efforts by the international community to promote enhanced aid effectiveness, counterbalancing high fragmentation as a result of the predominantly single-donor and single-programme and project-specific nature of non-core resource flows. However, only some eight per cent of all development related non-core resources are currently being pooled in that way and no significant upward trend can be observed over the recent past.   The modalities being applied fall under one of three main categories, viz. Multi-donor trust funds, thematic funds and "One United Nations" funds (see figure XVI on page 17).

Multi-donor trust funds and thematic funds

57.   Both multi-donor trust funds and thematic funds are forms of pooled resources and thus a more flexible and higher quality form of non-core contributions. While the thematic trust funds are specific to and administered by an individual entity, the multi-donor trust funds concern multi-entity operations and are in most instances covered by the dedicated fund administration services of the UNDP Multi-Partner Trust Fund Office on behalf of the United Nations development system. Table 2 below provides information on main contributors to multi-donor trust funds in 2013 and main participating entities, based on the amounts that the Multi-Partner Trust Fund Office as administrative agent transferred to them in 2013 for programme implementation. The top 4 donors combined accounted for nearly 60 per cent of all deposits to multi-donor trust funds in 2013. UNDP is the largest implementing entity.

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23   Figures are based on donors that were among the top 10 core or non-core contributors to a main UN Fund or Programme in either 2012 or 2013.

Table 2
Multi-donor trust funds in 2013[24]

		Main contributors			Main UN implementing entities		
Rank	Donor	Contributions (millions of United States dollars)	Share of total (percentage)	United Nations Entity	Transfers received (millions of United States dollars)	Share of total (percentage)
1	Norway	82	20	UNDP	108	27
2	United Kingdom	56	14	UNICEF	37	9
3	Sweden	51	13	UNOPS	35	9
4	Spain	46	12	OCHA	25	6
5	Australia	26	7	FAO	24	6
6	Netherlands	24	6	UNEP	18	4
7	Canada	21	5	WFP	17	4
8	Denmark	17	4	UN-Women	17	4
9	Luxembourg	11	3	UNFPA	12	3
10	Germany	10	2	WHO	11	3

One United Nations" funds

58.   "One United Nations" funds are multi-donor trust funds that were established specifically to support the "Delivering-as-one" pilot initiatives by providing principally un-earmarked resources to cover funding gaps in "One United Nations" programmes.

59.   Table 3 shows the amounts channeled through "One United Nations" funds, with an indication of their share of total development-related expenditures of the United Nations development system in the eight "Delivering-as-one" pilot countries and, combined, in 12 other countries that subsequently adopted the DaO approach on a voluntary basis and reported One fund expenditures in 2013. While the $84.7 million in One fund expenditures in the pilot countries represents a 37 per cent decline compared to expenditures in 2010, it is important to note that this decline is similar to the 39 per cent decline in overall UN development-related expenditures in these eight countries during the same period.

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[24] Excluding multi-donor trust funds with a humanitarian-assistance focus.

Table 3
One UN Funds in 2013

Recipient country	"One United Nations" fund expenditures (in millions of United States dollars)	Total United Nations development-related expenditures	"One United Nations" fund share of total (percentage)
Pilot countries			
Albania	2.1	15.3	14.0
Cabe Verde	1.7	17.8	9.8
Mozambique	6.6	119.0	12.5
Pakistan	14.8	215.0	7.2
Rwanda	10.4	66.0	15.7
United Republic of Tanzania	32.6	114.2	28.5
Uruguay	1.0	12.8	7.8
Viet Nam	6.5	75.5	8.6
Subtotal	**84.7**	**516.5**	**16.4**
Non-pilot countries (28)	23.9	767.3	3.1
Total	**108.6**	**1 283.8**	**8.5**

Joint programmes

60.   While not a different type of third-party pooled funding modality, joint programmes can be regarded as a form of pooling of resources by United Nations entities developed to contribute to making United Nations operational activities for development more coherent, effective and efficient. The Joint Programme supports a strategic vision, outlined in a Joint Programme Document with a well-defined results framework, work plan and related budget. It is based on a partnership involving normally two to five UN organizations, their (sub-)national governmental partners and other stakeholders. At country level, the programmatic scope is aligned with national priorities as reflected in an UNDAF/One Programme or equivalent programming framework. Joint programmes are mostly financed from non-core resources.[25]

61.   The 2013 report of the Secretary-General on funding ([A/68/97-E/2013/87](#)) reviewed the different types of joint programmes that have been established. Information collected since then shows that in the period 2011 to 2013 joint programmes amounted to about 2 per cent of total non-core funding to United Nations development-related activities. More detailed information on the trend of funding to joint programmes is included in the background material for this report.[26]

62.   UNDG launched a number of initiatives aimed at further strengthening the use and management of joint funding mechanisms and approaches in order to improve the quality of non-core resources. Within the context of the Standard Operating Procedures for Delivering as One (see

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[25]   See Guidance Note on Joint Programmes, United Nations Development Group, August 2014.
[26]   http://www.un.org/en/ecosoc/newfunct/qcpr_implement.shtml

paragraph 118) adopted in July 2014, it issued revised guidelines for Joint Programmes and guidance on thresholds, resource mobilization and allocation criteria in MDTFs and One Funds.

Common budgetary frameworks

63.   As part of examining the development and use of integrated strategic and multi-year financing frameworks in support of resource mobilization, a review was undertaken of the extent to which common budgetary frameworks have been introduced at the country level. The concept of a Common Budgetary Framework (CBF), as an integral part of the UNDAF Action Plan, was developed to serve as a comprehensive and results-based planning and management instrument for financial requirements and identified funding gaps for the entire UNDAF programming period. A current and publicly accessible CBF is also meant to serve as an instrument to enhance transparency by providing programme country governments, development cooperation partners (donors) and other stakeholders with a simplified single reference document that covers the UN funding situation at any point in time during the programming cycle.

64.   Based on information collected through the DESA-led 2014 RC survey in preparation of the present report, 2 new countries have developed a CBF bringing the total number to 32 or some 25 per cent of programme countries.   The CBF has also been retained as a core feature of the SOPs for countries voluntarily adopting the DaO modality.

65.   The JIU in its analysis of the resource mobilization function within the United Nations system reviewed the experience with the CBF in one of the DaO countries. It found that there was general agreement that the CBF is a useful tool, as it points out where the gaps in resources are. However, experience showed that there is still a lack of synergy between the tools and the programmatic and budget cycles of agencies. The terminology used is not the same and there is a concern that the data being provided are not always comparable. The JIU concluded that this issue can only be addressed at the CEB level and that resolving it will enhance the effectiveness of the framework as a tool for joint programming, resource mobilization and monitoring of implementation of the United Nations Development Assistance Plan. Feedback obtained through the RC survey in preparation of the present report generally confirms that challenges continue to exist with regard to the timeliness and quality of information being provided by some of the entities and hence the effort required to develop the framework into an effective instrument.

D. Ensuring full cost recovery

66.   The very strong (relative) growth in non-core funded activities over the past 15 years made the adequate attribution and recovery of institutional costs associated with the support to those activities an issue of growing concern. The principle of full cost recovery as envisaged in Resolution 67/226 is based on the premise that all activities, regardless of the source of financing and level of earmarking, benefit equally, either directly or indirectly, from the totality of substantive and operational capacities of entities and that hence all non-programme costs should be attributed proportionally from core and non-core funding sources. Non-programme costs in this regard were defined as those costs that cannot be directly traced to specific programme components or projects which   contribute   directly   to   the   delivery   of   development   results   contained   in

country/regional/global programme documents or other programming instruments.27 They include what some entities refer to as development effectiveness.

67. The logic of the principle of full cost recovery is reinforced by the fact that by now entities operate on the basis of fully integrated strategic plans and results and resources frameworks that aim at the financing of the agreed upon development results by core and non-core resources in an integrated manner.

68. The 2013 report on the analysis of funding of UN-OAD28 provides a full background of the issue as it has been reviewed over time, including in the context of the 2012 QCPR. The analysis confirmed that the non-programme costs relating to non-core programme activities continue to draw resources from core resources for programme activities.

69. The Economic and Social Council, in its decision 2014/14 noted the timelines agreed by the executive boards of the UNDP, UNICEF, UNFPA and UNWomen for an independent and external assessment to be performed in 2016 of the consistency and alignment of their new cost recovery methodology with the QCPR. As indicated in earlier reports, the new methodology introduced by those four entities does not provide for all non-programme costs to be subject to a proportional cost recovery.

70. WFP is an example of an entity that pursues full cost recovery of its equivalent of non-programme costs since it finances its entire programme support and administrative budget by charging the same cost recovery rate to its equivalent of non-earmarked core resources ("multilateral contributions") and earmarked non-core contributions ("directed multilateral contributions"). It thus follows the principle of full cost recovery as envisaged in Res/67/226. In this regard WFP, in dialogue with its governing body, initiated an extensive review of its method for determining its indirect support cost rate in 2014, and recommended to its executive board to maintain its current single rate model as the most appropriate, transparent and simple to administer one for ensuring the principle of full-cost recovery. WFP expects that the full review will be concluded in 2015.

71. FAO is also in the process of developing a new comprehensive financial framework for Cost Recovery. The concept provides for three main benefits: i) treats extra budgetary resources as supporting delivery of the Programme of Work in the integrated budget, not as an incremental cost; ii) recognizes more decentralized operations, integration of development and emergency project operations, and more diverse funding sources; iii) through simplicity and transparency, aims to overcome perceptions of FAO partners, management and staff that the current policy and its implementation is complex and inequitable.

72. In the case of WHO, proposals on the financing of administration and management, including the principles of full cost recovery have been presented and endorsed by WHO's governing body. As yet no changes have been agreed to cost recovery rates, but a revised approach to budgeting and reporting have been agreed. Challenges include constraints from some voluntary donors and in some cases, from UN system wide agreements with donors.

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27   from the UNDP, UNICEF, UNFPA and UN-Women harmonized cost classification which other
        organizations have agreed to us as a reference.
28   A/68/97–E/2013/87 of 24 June 2013 paragraphs 94 -107

73.   The new indicator framework in Annex I provides an overview of progress achieved on key funding-related issues addressed in the QCPR. Unsurprisingly, many of the trends in funding that have been in existence for well over a decade continued in 2013, after the adoption of the QCPR. The next edition of the present report to be presented to ECOSOC in 2016 will provide an opportunity to better assess the progress made on key funding-related issues addressed in the implementation of the QCPR resolution.

III.   Contribution of UN operational activities to national capacity development and development effectiveness

A. Capacity building and development

74.   Capacity development is a core function of the UN development system, which is requested to build national capacities for development planning, data collection and analysis, implementation, reporting, monitoring and evaluation. The UN development system is also requested to increase the use of national public and private systems for support services and improve sustainability of capacity building activities.

75.   Programme country governments have consistently identified the UN system as a preferred provider of support, among external partners, for national capacity development as reconfirmed in the survey of governments in 2014. In particular, programme countries have identified the coordination of capacity-building activities at the country level as one of the most important measures that the UN could take to reduce the workload on national partners. Similarly, the vast majority of programme countries identified 'Improve the sustainability of UN-supported projects' as the most important step the UN could take to make its country operations more effective.

76.   The UN entities continue to improve the measurement of their performance in supporting national capacity development in their respective areas of expertise. This is being achieved by ensuring performance measurement in capacity development as part of results frameworks (e.g. ITC, OHCHR, UNFPA and UNAIDS) and by refining the methodology to measure change in capacity level in specific programme areas (e.g. UNICEF, WFP, UNOPS, and UNODC), leading to the development of new tools[29]. In preparation of the strategic plans, UNDP, UNFPA, UNICEF, UN Women and WFP established a peer group at the HQ level, which led to the adoption of harmonized language and methods to monitor agency-specific work in the areas of capacity building.

77.   Work needs to be accelerated to develop a common approach for measuring progress in capacity development. The UNDG is currently working on a common UNDG capacity development measurement approach, which aims to ensure that UNDAFs and other planning instruments have capacity development at the center of strategic planning, including the utilization of existing national capacities and strengthening national ownership. The UNDG capacity development measurement approach is planned to be ready for reporting on indicators in 2015.

78.   The feedback from both programme country governments and the RCs reveals that the UN system to a large extent utilizes national experts and institutions in the design and implementation

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[29] e.g. multiple indicator cluster survey as a capacity building tool for national and local statistical and government bodies, and "National Capacity Index" and sustainability marker

of projects and programmes (Figure XIX). Nevertheless, according to the same surveys, national monitoring and reporting systems, national procurement, financial, and evaluation capacities have been under-used. For example, 58 per cent of United Nations country teams carry out 90 per cent or more of the annual United Nations financed procurement volume at the country level, without involving national institutions. About 20 per cent of United Nations country teams have established a strategy to strengthen Government procurement capacities. The perceptions about the extent to which such systems and capacities are used do not correlate with the levels of income of different programme countries, but with the actual capacity of national institutions[30].

Figure XIX:
Extent to which Resident Coordinators and Programme Country Governments agree that national institutions are used "as much as possible"
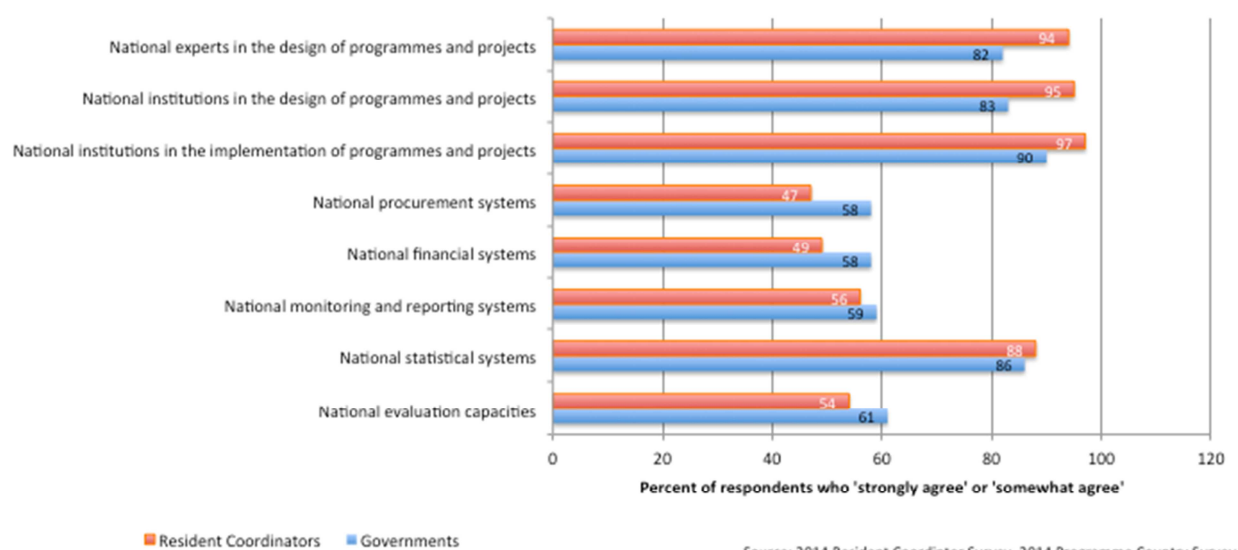
79.   The lack of utilization of national systems should not be over-simplified as an issue of lack of willingness. The feedback from the field points to multiple challenges. It was observed by some Resident Coordinators that the limited capacity of national institutions, lack of transparency and accountability, frequent changes within government institutions, particularly in terms of staff turnover, and sometime stringent donor requirements constitute hindrances to greater utilization of national systems. From governments' perspective, the UN may appear risk-averse: in a non-core funded environment, arrangements are not always optimal for ensuring the appropriate sharing of risks. UN procedures are also sometimes seen as too complex to allow for the use of national systems. Finally, resources are lacking in support of national capacity development in results-based management, monitoring and evaluation.

80.   In a post-2015 context, joint and coordinated responses to capacity development needs are more than ever needed. The UN development system must critically review its internal capacities to support countries to deliver on the post-2015 agenda. A   common approach to support

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[30] Usually, UNCTs base their assessments on the use of national institutions on the macro and micro assessments done under the HACT at the beginning of each cycle.

development of functional capacities must be combined with a customized approach to support technical/sector capacities by UN entities. A collective response goes beyond common concepts, policies and approaches, to the operational aspects of delivering. The UN's operational regulations and mechanisms should ensure the ability to do so (See section IV). Furthermore, different funding modalities also have different economic and political implications for capacity development. The extent to which current funding modalities provide coherent but differentiated support tailored to different country needs should be assessed and communicated to Member States in order to identify a sustainable solution.

81.   Ultimately, capacity development is much more than training or provision of information or the use of national expertise. It is about the strengthening and use of national systems in a sustainable manner and a shift in the locus of decision-making and mindsets. The UN's business models and incentives must support this approach.

B. Poverty Eradication

82.   About one in five persons in developing regions still live on less than US$ 1.25 a day and vulnerable employment accounts for 56 per cent of all employment in developing regions. While the majority of the poor live in a few middle-income countries, high poverty rates prevail in small, fragile and conflict-affected countries. Poverty eradication is closely interlinked with most thematic areas for United Nations assistance, and at the same time it remains an important stand-alone priority for many programme countries. According to the programme country survey, about 42 per cent of programme country governments placed poverty reduction amongst the five most important thematic areas for United Nations assistance in the next four years.

83.   The focus on poverty reduction of the UN system is well recognized by programme countries and by the UN development system. 93 per cent of Governments agreed that the UN is effective in ensuring adequate attention and resources are given to the needs of the poorest and most vulnerable segments of society. 46 per cent of the Governments stated that the contribution of the United Nations has been especially significant in the area of poverty reduction.

84.   The United Nations development system has accelerated its efforts to support Programme Countries to achieve the Millennium Development Goals (MDGs), including poverty reduction. The UN system, through the UN-wide MDG Task Force has coordinated MDG acceleration efforts. Since 2010, a total of 56 United Nations country teams from all regions have used the MDG Acceleration Framework (MAF) to support Governments to identify and prioritize bottlenecks to equitable progress on MDG targets. As a result, countries have developed and are implementing specific MDG action plans in the areas of maternal health, child mortality, poverty, hunger, employment, gender equality, water and sanitation, HIV/AIDS, at both national and sub-national level. The strategic plans of many of the Funds and Programmes and specialized agencies refer to the eradication of poverty and the three dimensions of sustainable development as the foundation for their strategic orientation and planning.

85.   The system-wide Plan of Action for the implementation of the Second Decade for the Eradication of Poverty (2008-2017) has served to coordinate the United Nations system efforts in its advisory and programmatic support to Member States in poverty eradication. Across the system, those efforts have continued to focus on supporting the Social Protection Floor Initiative and pro-poor investments in human capital, job creation and green growth, particularly through experience

and knowledge-sharing[31]. A large number of agency-specific and joint projects and activities have taken place during the reporting period.

86.   At the country level, the adoption of the DAO approach including the SOPs holds the potential to better address poverty eradication. A significantly higher percentage of DAO programme countries (53%) strongly agreed that 'the UN is effective in ensuring adequate attention and resources are given to the development needs of the poorest and most vulnerable segments of society', compared to 17% in the case of non-DaO countries.

87.   The changing development landscape and the increasing diversity of countries indicate the need to provide more targeted solutions. Similar to other programme areas, this requires adjustments of the operating systems, including funding, business practices and capacity. There is a need to better communicate to Member States the results achieved by the UN system in poverty eradication. Although there exist evaluations of agency-specific contribution to poverty reduction, challenges persist to identify UN system-wide contribution.

C. South-South cooperation and development of national capacities

88.   Demand of programme countries for UN support to South-South cooperation continues. Nearly 80% of RCs that responded to the DESA survey received requests from programme country governments for supporting their cooperation with other developing countries. Provision of access to knowledge and expertise of other developing countries and identification of cooperation partners were identified as the main form of support needed from the UN development system. The top areas highlighted are industry, trade and investment; knowledge and technology transfer; economic growth and employment as well as environment and national resources.

89.   The UN development system has systematically increased its focus on South-South cooperation in the past two years. Over 80% of UNDAFs or equivalent framework include programming of support to South-South and triangular cooperation according to the 2014 RC survey. 20 out of 22 entities that responded to the DESA headquarters survey stated South-South cooperation is integrated in their strategic plans. 11 of 22 entities surveyed by DESA confirmed some form of support to the projects managed and supported by the UN Office for South-South cooperation, with a majority being specialized agencies.

90.   The reporting on and evaluation of support to South-South cooperation are being strengthened. 18 out of 22 UN entities surveyed by DESA had reported on South-South cooperation in their annual reports. It was also reported[32] that UNDP, FAO, WIPO and ILO have undertaken evaluations and assessments of South-South cooperation, which informed their institutional policies and strategies.

91.   A majority of United Nations entities highlighted their increasing role as knowledge brokers, capacity development supporters and partnership facilitators. In this regard, the Funds and Programmes in their strategic plans point out that the support requested from countries is changing and that a more active role is required to shift from a direct provision of support to playing a facilitating role through building relationships at the regional levels, engaging governments, academic institutions, civil society and the private sector.

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[31] A/68/183
[32] A/69/153, State of South-South cooperation, report of the SG

92.   At present, scaling up UN support for South-South cooperation faces some challenges. First, a number of entities reported reliance on extra-budgetary resources to support South-South cooperation. Some RCs in the RC survey commented that there is not enough in-house capacity at country level, and that resources are lacking to bring in Non-Resident Agency (NRA) support. Secondly, institutional strategy and policy on South-South cooperation can be further enhanced. . Several agencies either have adopted or are implementing strategies (e.g. ILO in 2012). Others are in the process of addressing this challenge (e.g. UNDP and WFP) by developing dedicated SSC strategies or piloting funding mechanisms for South-South partnerships (e.g. UNEP). However, there is room for further knowledge sharing among agencies on best practices and case studies. Finally, it was also observed that in some cases, the lack ofa Government focal point dealing with SSC can also hinder UN's support.

93.   Such challenges need to be addressed systematically and institutionally. First and foremost, there has to be clear understanding of the role of the UN system in South-South cooperation and assessment of the commensurate capacity needed. It is evident from the survey of programme country that the UN system is expected to   facilitate   of south-south exchanges. Secondly, institutional strategies and operational rules and regulations should ensure that the solutions and expertise of the South are integrated in the UN's operational activities in an effective and efficient manner. Thirdly, some innovative funding modalities could be explored in an environment where the core/regular budget of the UN system remains constrained. .

94.   The High-level Committee on South-South cooperation has requested the UNDG Chair to establish a more formalized and strengthened inter-agency mechanism coordinated by the UN Office for South-South cooperation. The terms of reference of the inter-agency mechanism are being developed. The lessons learned of the ongoing efforts to strengthen the UN system's capacity in supporting South-South cooperation can be shared through such an interagency mechanism.

D. Gender equality and women's empowerment

95.   The United Nations development system has made progress in implementing the QCPR mandates on gender equality and the empowerment of women. 90 per cent of all United Nations entities reported on the UN SWAP in 2013, an increase from 82 per cent in 2012. The second year of the implementation of the Action Plan resulted in progress in 14 out of the 15 performance indicators. For the coherence performance indicator, the United Nations system is close to meeting its target with 88 per cent of United Nations entities having met the requirements. However, entities continue to exceed requirements in only a few instances, demonstrating that room for improvement remains for the UN system as a whole to demonstrate excellence in gender mainstreaming..

96.   Recent policy developments have contributed towards the progress made. For example, UNDG Gender Equality Marker Guidance Note was endorsed by the UNDG in September 2013, and the 52 Minimum Set of Gender Indicators developed by the Inter-Agency and Expert Group on Gender Statistics (IAEG-GS) were endorsed by the UN Statistical Commission. At the operational level, UN Women, UNFPA, UNDP, UNICEF and the MDG Fund finalized the joint evaluations of Joint gender programmes and agreed on a joint management response to follow up on its recommendations.

97.   Currently, some 45% of UNDAFs feature specific results on gender equality. Following the creation of a dedicated roster of UN gender experts, the UNDG developed and circulated a Resource Book on mainstreaming gender into country level common programming. Many UNCTs have used country level accountability tools such as the gender scorecard to inform strategic planning and prioritization of UN supported intervention, including by developing action plans to follow up on recommendations. The survey of RCs[33] confirmed that the majority of UNCTs (52%) who have conducted a gender scorecard in the last three years feature a rating of 4 or above[34] in the majority of the 8 performance areas[35] (figure XX), with only 8% of UNCTs scoring low across all performance areas. However, the actual uptake of scorecards by UNCTs could be higher (37 percent of the UNCTs that responded completed it, with 50 percent planning to complete it in the next 12 months).

Figure XX:
Per cent of countries with gender scorecard areas rated four or above

Source: 2014 Resident Coordinator Survey
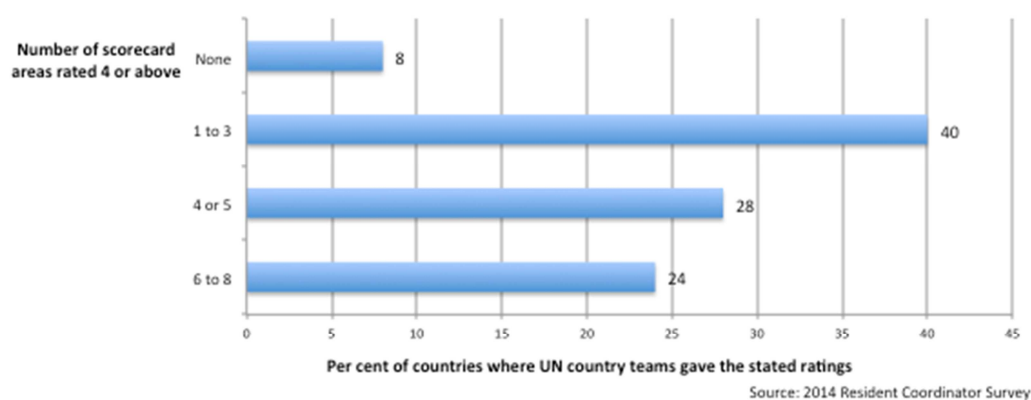
98.   The UNDG TT on gender is undertaking the second global review of gender scorecards since the tool was launched in 2008. The global review will consolidate lessons learned by UNCTs and look into how to further enhance the strategic use of gender scorecards –also building on the implementation of the UN SWAP – and ensure that the UN system at the country level becomes fully fit to deliver on the gender equality agenda in the post 2015 development environment. Inter-agency collaboration in United Nations country teams has resulted in more coherent approaches and increased accountability for gender mainstreaming results. According to latest available data from the RC Annual Reports, there are currently 104 Gender Theme Groups that work to support the RC and UNCTs moving the gender equality agenda forward. The recent roll out of the Standard Operating Procedures for countries adopting the DaO modality offers a key opportunity to further enhance UN operational coherence in the area of gender equality and the empowerment of women.

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[33] The 2014 survey of UN resident coordinators was carried out from 7 August to 31 October 2014. A total of 78 Resident Coordinators responded to the survey. This response rate proved sufficient to provide a clear picture of the views of RCs in respect of most of the questions in the survey.   Instances where data must be treated with caution are noted in the text.

[34] Scores were based on a 0-5 rating system, with five representing the highest rating. Universal targets for all dimensions is four or above. A rating of four is defined as 'meets minimum standards'.

[35] Planning, programming, partnerships, policies and capacities, decision making, budgeting, monitoring and evaluation, quality control and accountability

99.   The guidelines on joint programming revised recently in the framework of the the Standard Operating Procedures will offer a key opportunity to further enhance operational coherence and inter-agency collaboration in the area of gender equality and the empowerment of women.

E. Transition from relief to development and disaster risk reduction

100.   In the past year, several countries lapsed or relapsed into conflict. Further, 2014 saw a major surge in humanitarian crises around the world, with some 102 million people estimated to be in need of humanitarian assistance[36]. In June 2014, UNHCR reported that the number of refugees, asylum seekers and internally displaced people worldwide has, for the first time in the post-World War II era, exceeded 50 million people.[37]

101.   This trend makes it imperative that the United Nations development system ensures its ability to effectively respond to the needs of countries in crisis and in transition from relief to development.

102.   Recovery is a process that bridges short-term emergency response and long-term development actions. However, recovery has usually been limited to short-term investments mainly focused on repairing or reconstructing damaged infrastructure while the socio-economic and human development aspects needed for the full restoration are often neglected.

103.   An integrated vision of different sectors should be promoted through the leadership of the national governments and the support of the UN system and development partners, to start during the humanitarian phase and set the basis for a full recovery> In addition, UNDAFs could also pay still stronger attention to risks reduction and the needs of vulnerable groups. A strong partnership between the humanitarian and development arms of the United Nations development system is needed to ensure that the transition from relief to development is well coordinated, consistent and aligned to the requirements of the post-2015 development agenda.

104.   In 2013, the Secretary-General approved the *Policy on Integrated Assessment and Planning* (IAP) and *the Policy on UN Transitions in the Context of Mission Drawdown or Withdrawal*. The IAP is applicable in all settings where an integrated UN presence is in place or is being considered. It calls for the regular assessment of opportunities to combine planning frameworks and harmonize planning processes for peace consolidation activities, with due consideration for respective programming and budgetary cycles, and different agency mandates and principles. The IAP also recommends coordination on entity-specific operational and budgetary planning, within applicable rules and regulations.

105.   The level of coherence between UN missions and the RC/UNCT was perceived to have increased significantly in 2013. According to the UNDG coordination survey, 66% of UNCT members based in countries with missions were of the view that there was a significant increase in UN missionand UNCT coherence.

106.   From the perspective of RCs, there also seems to be notable progress in coordination with the Bretton-Woods institutions (BWIs), in particular the World Bank. For example, 42% of all responding RCs from countries in transition from relief to development stated that their UNCT has concluded an agreement or arrangement, such as a joint needs assessment, with key partners such as the World Bank, in response to a crisis in the past two years. In 2014, considerable joint

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[36] UN Global Humanitarian Overview, August 2014
[37] UNHCR Global Trends Report 2013

initiatives between the United Nations system and the World Bank in conflict related contexts have been undertaken, amongst others, in the Central African Republic, Somalia, South Sudan, Yemen and Great Lakes, in addition to the on-going close cooperation in the Democratic Republic of the Congo and Liberia. The joint initiatives cover a range of activities at the strategic level, including joint assessments, planning and results frameworks, funding mechanisms, and staff secondment.

107.   The UN development system continues to increase its investment in disaster risk reduction building on its comparative advantage, experience and implementation at country level. As of May 2014, 12 United Nations organizations had prioritized disaster risk reduction within their 2014-2017 strategic work plans and were including disaster risk reduction in their respective results-based monitoring frameworks, which represents a 70% increase in comparison with the previous work planning cycle. At the country level, 79% new UNDAFs includeddisaster and climate risk in 2014. Joining in these efforts, the United Nations Plan of Action on Disaster Risk Reduction for Resilience, which identifies priorities for joint actions on disaster risk reduction by UN Agencies, has been recognized as an important contribution in the implementation of the quadrennial comprehensive policy review of 2012 (GA res 68/211).

108.   In support of RCs and UNCTs, two inter-agency task teams have developed modalities to provide resources to RCs and UNCTs in their work on disaster risk reduction, and a monitoring framework including indicators to measure progress by the United Nations system against the Plan of Action is currently under development.

109.   The UN system is increasingly recognizing the importance of strengthening and/or streamlining actions to address short-term peace-building gaps with long-term peace-building support. The UN agencies and the Secretariat have strived to address the linkages between humanitarian, development and political actors for the purpose of maximizing peace-building efforts, including through development of the corresponding tools, including deployment of Peace and Development Advisors through the Joint UNDP-DPA Programme on Building National Capacities for Conflict Prevention. There is a need to assess the implementation of the policies and tools and identify and adapt to emerging challenges.

IV.   Improved functioning of the UN development system

110.   From the perspective of programme country governments, the UN development system is gaining relevance. For example, 86% of programme country governments considered the UN a more relevant partner than it was 2 years ago. At the same time, governments pointed out key areas to improve the UN's relevance, most notably, improving coordination and avoiding competition and duplication, being more transparent about procedures, improving reporting to national authorities and adjusting focus to a limited number of areas.

Alignment of Strategic Plans with the QCPR

111.   Over the past two years, there has been notable progress in the alignment of planning and budgeting cycles with the QCPR. Several specialized agencies have made adjustments. Fifteen out

of the 22 entities[38] indicated that their cycles were already aligned, or took steps to align their strategic planning/budget cycles with the QCPR, compared to 13 reported in the last SG's report. 13 entities submitted annual QCPR reporting to their governing bodies, as compared to 10 entities in the last reporting cycle. Further alignment would allow the UN development system to plan in line with the QCPR guidance and report in a coherent manner.

Table 4 - Alignment of strategic planning cycles of key funds, programmes, specialized agencies and other entities with the QCPR cycle

Alignment of strategic planning cycles of key funds, programmes, specialized agencies & other entities with the QCPR cycle					
Entity	**Strategic planning document**	**#Years** [39]	**Planning cycle**		**Annual QCPR reporting to governing body**
			Present (and Future where relevant)	**QCPR alignment**	
Funds and programmes					
UNDP (included UNV & UNCDF)	Strategic Plan	4	2014-2017	Yes	Yes
UNFPA	Strategic Plan	4	2014-2017	Yes	Yes
UNICEF	Strategic Plan	4	2014-2017	Yes	Yes
WFP	Strategic Plan	4	2014-2017	Yes	Yes
UN-Habitat[40]	Strategic Plan	6	2014-2019	In progress	Yes
UNHCR	Biennial Programme	2	2014-2015	Yes	No[41]
UNRWA	Medium-Term Plan	6	2010-2015 · 2016-2021	No	No
Specialized Agencies					
ILO[42]	Strategic Policy Framework	6+2	2010-2015 · 2018-2021	Partial	Yes[43]
FAO	Medium-Term Plan	4	2014-2017	Yes	Yes[44]
UNESCO[45]	Medium-Term Strategy	4	2014-2017	Yes	No
WHO	General Programme of Work	6	2014-2019	No	Yes
IFAD	Strategic Framework	5	2011-2015 · 2016-2020	No	No
UNIDO	Medium-Term Programme Framework	4	2014-17[46]	Yes	Yes
Other entities					
UN-Women	Strategic Plan	4	2014-2017	Yes	Yes
UNAIDS[47]	Strategic Framework	5+6	2011-2015 & 2016-2021	Yes	Yes

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[38] The 22 funds, programmes, specialized agencies and other entities accounted for 97 per cent of both total and development-related operational activities for development of the United Nations system in 2013.

[39] Years reflected are those of the current programming cycle or those stipulated by the most current decisions of governing bodies and which will be reflected in the next programming cycle.

[40] Efforts are currently ongoing to achieve a full alignment with the QCPR cycle in the future.

[41] Reporting on actions taken or planned in regard to operative paragraphs of the QCPR takes place within the overall annual reporting, without specific reference to QCPR.

[42] The ILO's Governing Body has agreed to adopt a transitional arrangement for 2016-17 with the goal of having full alignment with the QCPR 2018-21 cycle.

[43] This is not obligatory, but actions under the different chapters (e.g. UNDAF, South-South Cooperation) are regularly part of the narrative of ILO GB papers.

[44] The reporting is every two years

[45] In 36 C/Resolution 105, the General Conference of UNESCO decided to extend the programming cycle of the Medium-Term Strategy from six to eight years, with a four-year programme and budget framework as a mechanism to adjust with the QCPR cycle. This information was reported to DESA in 2013. No new information in 2014.

[46] UNIDO Medium-Term Programme Framework is aligned with QCPR. Depends also on the budget cycle (biennial in UNIDO's case).

Alignment of strategic planning cycles of key funds, programmes, specialized agencies & other entities with the QCPR cycle					
Entity	**Strategic planning document**	**#Years** [39]	**Planning cycle**		**Annual QCPR reporting to governing body**
			Present (and Future where relevant)	**QCPR alignment**	
UNODC	Biennial Programme[48]	2	2014-2015	Yes	No
UNCTAD	Biennial Programme	2	2014-2015	Yes	No
UNEP	Medium-term Strategy	4	2014-2017	Yes	No
OHCHR	Management Plan	4	2014-2017	Yes	No
ITC[49]	Strategic Plan	3	- 2015-17	Partial	No
UNOPS	Strategic Plan	4	2014-2017	Yes	Yes
UNISDR	Strategic Framework Biennial Work Programme	2	2013-2015	No	Yes

A. United Nations Development Assistance Framework

112.   The UNDAF continues to serve as a key tool for strengthening coherence at country level. 86% of programme country governments stated that the UNDAF or other UN common planning framework has helped the UN to achieve better results than if each UN agency had planned its support separately. A larger proportion of Governments in DaO countries (63%) 'strongly agreed' to the value of the UNDAF, as compared with other countries (42%).

113.   The introduction of an UNDAF or other United Nations planning framework has clearly enabled governments to ensure that the UN's activities are more closely aligned with national plans and strategies. Approximately, two thirds of RCs confirmed that the period of the UNDAF is aligned with government planning cycles. Ninety-four per cent of governments perceived the UNDAF as a valuable instrument that ensures national ownership and leadership. National ownership has been reinforced by joint national and UN Steering Committees. There is a joint steering committee in 68% of 78 countries from which DESA received responses through the RC survey. Over 74% of governments stated that their participation has allowed the government to exercise leadership over UN programmes.

114.   UN system reporting to Governments has been improving in frequency and quality. 76% of Resident Coordinators confirmed that the UN system reporting to Governments was structured around the UNDAF outcomes, while around 50% of Resident Coordinators stated that the reports are linked to national development results or informed Government on the United Nations country team results as a whole.

115.   There is still a need to improve the balance of effective and efficient reporting on contributions to national results, to UNDAF outcomes and to the strategic plan outcomes of individual agencies. The preparation of a joint UN system results reporting implies the need for consistent agency approaches to measuring results, and adds to the type and scope of reports agencies need to prepare in order to satisfy different constituencies. In this regard and as reflected

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[47] At its meeting in December 2014, the UNAIDS governing body (PCB) requested the extension of the current UNAIDS Strategy to cover 2016-2021, thus aligning UNAIDS Strategy, planning and budgetary cycle with the QCPR cycle..

[48] UNODC adopts a strategy every four years which guides the development of the biennial strategic framework.

[49] The new ITC Strategic Plan is for the period 2015-17, in part to accommodate the full biennium 2016-17.

in the UNDG Plan of Action for Headquarters, the introduction of a system-wide template for the UN Country Results Report will help in addressing the issue of separate (and often uncoordinated) reporting requirements by donors and agencies' governing bodies.

116.   The UN development system has made progress in simplifying agency-specific programming instruments and processes in alignment with the UNDAF. 13 UN entities reported specific measures to simplify and harmonize their agency-specific programming instruments and have discussed these measures with their governing boards beginning 2014. Notably, the Executive Boards of UNDP, UNFPA, UNICEF and WFP at their first regular session 2014 approved a modified format and procedures for country programme documents, including a simplified one-step approval procedure for country programmes. The modifications strengthen the alignment of country programmes with the UNDAFs and the strategic plans of the funds and programmes.

A number of other UN entities have underlined their specific plans in this regard. For example, ILO is in the process of revising its Decent Work Country Programme guidance in line with the UNDAF results-based management programming guidelines while ensuring that tripartism, social dialogue and respect for rights at work as human rights underpin all aspects of its operational activities. OHCHR added instructions in their planning guidelines for the period 2014-2017 that ensure the alignment of OHCHR planning notes with existing UN common programming documents. UNHCR is currently developing a guidance note for country teams to ensure the systematic engagement with the UNDAF and other relevant country strategic planning processes. FAO underscored their policy to adhere to the UN programming principles and the harmonization between the FAO Country Programming Frameworks and the UNDAF. UNEP increased its participation in UN country teams and UNDAF formulation as a result of the decision by member states to strengthen UNEP's regional presence following the Rio+20. The Joint Programme Monitoring System (JPMS) of UNAIDS has been developed and refined in a way to enable reporting results on AIDS based on each country's UNDAF, to avoid duplication.

Figure XXI:
Time-bound actions relating to the United Nations Development Assistance Framework

UNDS to simplify and harmonize programming instruments (OP119):	SOPs with simplified process adopted for DaO countries		UNDP, UNFPA, UNICEF and WFP discussed proposals with EB by end of 2013	*Target: Discuss progress with Governing Bodies by end 2013*	EB of UNDP, UNFPA, UNICEF and WFP approved modified format and approval process for CPDs.	*Achieved*
	2013				*2014*	

117.   The UNDAF has recently been enhanced through the adoption of the Integrated Package of Support for UN Country Teams for implementation of the Standard Operating Procedures (SOPs) for Countries Adopting the *Delivering as One Approach (See section IV. C).* The roll out of the Standard Operating Procedures for countries adopting the "Delivering as one" approach further supports the simplification of the UNDAF as a strategic and results-oriented planning instrument. The roll out of UNDAF in 80 countries in the period between 2014 and 2015 offers the opportunity for more inclusive inter-agency common programming at the country level. The planning process must involve all UN country team members, including non-resident agencies, through the establishment and strengthening of inter-agency results groups that coordinate planning, implementation, monitoring and evaluation, the use of common RBM tools and standards, and a

direct operationalization of the UNDAF into joint work plans that reflect clear agency-specific comparative advantage and accountability for results and resources.

118.   The UNDAF continues to be a vital programming instrument for system-wide coherence at country level. While the UNDAF has improved the planning phase, there is much scope for improvement at the implementation phase. Governments called for improved monitoring in harmony with government systems, and regular reporting and evaluation of results. The UN system also needs to speed up efforts to simplify agency-specific reporting and programming instruments to reduce transaction costs on UNCTs.

119.   Much of the work of the UN in building coherence in its programming instruments (such as the UNDAF and the CCA) is based on the assumption that programme countries want a structured programme package from the full UN development system – and this has been confirmed in some measure by the survey of programme countries. The continued validity of this assumption may remain true for countries with limited institutional capacities to manage themselves their programmes of external assistance. As developing countries progress towards stronger domestic management capacities, it is to be expected that more countries will provide their own management of their strategies for external partnership and cooperation. Appropriately adapting the UN's programming modalities will therefore require significant differentiation based on the capacities and preferences of the countries.

B. Resident Coordinator System

120.   The Management and Accountability System (MAS) of the Resident Coordinator System is being increasingly institutionalized. According to the information provided by the UNDG, as of November 2014, eleven participating UN entities have reported full implementation of the mutual accountability criteria, eight have reported partial implementation, and one UN entity has not implemented any of the four criteria. Of the four criteria, an increasing number of United Nations entities recognize the reporting obligations of the United Nations country team members to the Resident Coordinator and have included a formal input of the Resident Coordinator to the performance appraisal of their agency representative. For example, 13 out of 21 entities that signed the Management and Accountability system reported that providing information to the RC on agency contribution to the UNDAF has been made a requirement for agency representatives. Similarly, 12 entities reported to have included inputs from the RC in their country representatives' performance appraisals, while 15 agencies reported that they have included in the performance appraisal of their representative the results of the United Nations country team work plan.

121.   The UNDG has taken important steps in clarifying the leadership role of the Resident Coordinator through updating the job description and incorporating the enhanced planning and coordination function., the Resident Coordinator is empowered to propose to members of the United Nations country teams and non-resident agencies in consultations with Governments and the UNCT members, amendments of the UNDAF if it is determined that some activities are no longer aligned with the broader strategy of the United Nations development system in response to the national needs, priorities and challenges of the programme country as called for by the QCPR.

122.   Continued efforts have been made to ensure the effectiveness of the functional firewall between the RC function and UNDP Resident Representative function. UNDP has established and has currently in place a total of 50 Country Director encumbered positions. UNDP has committed to further improve the effectiveness of the functional firewall by continuing to ensure that Resident

Coordinators/UNDP Resident Representatives sign letters of delegation of authority with UNDP Country Directors for day-to-day UNDP management duties, so that Resident Coordinators can be fully available for their system-wide tasks. UNDP has also revised the Country Director Job Description to underscore the delegated authority to represent UNDP in the UNDAF, UNCT, and other One UN processes, while ensuring the effective utilization of UNDP's programme, operations, implementation, assessment and quality guidelines, standards and tools. According to the results of the recent Resident Coordinator survey, in the countries where UNDP has established a Country Director position, about 85 percent of Country Directors have received formal delegation of authority that includes resource mobilization on behalf of UNDP. In addition, the job description of the UNDP Resident Representative has also been modified to reflect these flexibilities. However, in accordance with the Management and Accountability System, the Resident Coordinator is also the UNDP Resident Representative and as such remains overall accountable for UNDP programme and operations..

123.   The implementation of the MAS at country level is underway. According to the UNDG coordination survey, 71% of UNCT members[50] were of the view that RCs are fully empowered to lead the UNCT strategically in a country. 86% of UNCT members stated that their job descriptions recognize the role of the resident coordinator and 73% confirmed that their performance appraisal systems reflected UNCT work plan results while 67% of UNCT members confirmed that the Resident Coordinator provided input into their performance appraisals[51]. About 77% of UNCT members were aware that they have a reporting obligation to the Resident Coordinator on resource mobilization and programme implementation performance of any UNDAF/one UN programme elements led by the agency.

124.   There is however a need to accelerate the full institutionalization of the Management and Accountability System by all members of the UNDG, since not all United Nations entities have systematically implemented the provisions established by UNDG.

125.   UN agency representatives continue to have varying levels of delegation of authority. Eight entities delegated the authority to commit funding as part of a joint programme, three entities delegated the authority to use joint work plan instead of separate agency workplan. About 17% of the RCs surveyed by DESA observed that agency field representatives have adequate delegation of authority. The level of delegation of authority is clearly associated with the size of agency programmes and the existence and the nature of their presence (e.g. representation vs. liaison).

126.   The access to the expertise of agencies by the RC can be further strengthened. About 85 percent of the responding Resident Coordinators reported having accessed the technical resources of all or some agencies without difficulties, whereas 15 percent encountered difficulties in accessing technical resources of agencies at the country level. Participation in this aspect of the MAS constitutes a valuable way for agencies to contribute in kind to support the RC system, especially for those agencies that have limited possibilities of contributing in cash.

127.   Measures have also been put in place to strengthen the capacity of the Office of the Resident Coordinator, such as the UNDG strategy to deploy a certain number of human rights advisers in response to requests from programme countries for support to Human Rights as part of the operational activities for development.

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[50] All percentages in this paragraph use as denominator the number of respondents who answered the question. Around one-third of respondents skipped one or more of the applicable questions.
[51] The revamping of the RC/UNCT Appraisal is planned to enter into effect in January 2016

128.   The selection process of RCs has been improved. Under the aegis of the UNDG, UNDP has convened an inter-agency Steering Committee to review the Resident Coordinator assessment center (RCAC). A completely new assessment center was designed, with the view to improving its relevance and rigor, in support of the goal of bringing in high-caliber leaders to the candidates pool. The new RCAC became operational in May 2014. As of November 2014, there are 127 RCs deployed, including 49 (39%) female, 56 (44%) from developing countries and 56 (44%) from non-UNDP agencies[52].

129.   The centralized funding modality for the Resident Coordinator system based on system-wide cost-sharing as noted in the previous Secretary General's report on the QCPR is being implemented. ECOSOC resolution 2014/14 noted with appreciation progress achieved in implementing the cost sharing agreement and requested entities of the UN development system that have not already done so to take appropriate actions to implement the agreement, subject to the approval of their governing bodies. This resolution, as part of the report of ECOSOC for 2014 will be submitted to the GA for consideration in early 2014.

130.   The UNDG cost-sharing agreement is based on a global funding scenario of $121.6 million for 2014, which is equivalent to some 0.8 per cent of development-related United Nations operational activities for development. Of that amount, in 2014, $88 million are provided by UNDP as part of the "backbone" contribution, and $33.6 million are cost-shared by participating agencies, including UNDP. It should be noted that despite UNDP's l financial constraints (i.e. the drop in core funding), these contributions were not diminished. The UNDG has initiated discussions on the cost-sharing agreement funding requirement for subsequent years.

131.   Of the 18 member entities of the UNDG expected to contribute to the cost sharing modality, 11 have contributed the full amount foreseen in the UNDG cost-sharing formula in 2014 and confirmed their full share including an adjustment due to inflation of staff costs also for 2015. 6 entities have contributed with a reduced amount in 2014 and have confirmed the same reduced amount for 2015. The contribution of the Secretariat of the United Nations will be subject to the approval of the General Assembly during its consideration of the programme budget for 2016-2017. As not all UNDG entities were in a position to start contributing or contributed reduced amounts to the cost-sharing in 2014 and for 2015, a funding gap for the Resident Coordinator system exists at the global, regional, and country levels in the transitional phase in 2014 and 2015. , The UNDG was able to mobilize funding for part of the gap from contributions from Member States, and is seeking continued support, especially for 2015, until the cost-sharing modality will become fully operational in 2016.

Figure XXII: Time-bound action Resident Coordinator System

| UNDS to simplify and harmonize programming instruments (OP119):	SOPs with simplified process adopted for DaO countries		UNDP, UNFPA, UNICEF and WFP discussed proposals with EB by end of 2013	*Target: Discuss progress with Governing Bodies by end 2013*	EB of UNDP, UNFPA, UNICEF and WFP approved modified format and approval process for CPDs.	*Achieved*
2013				*2014*		

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[52] As of October 2013, 40% of RCs are women, 44% from the South and 40% from entities other than UNDP

132.   The RC system continues to be strengthened with the further implementation of the MAS and the cost-sharing arrangement. The diversity of the RCs has increased, and the selection process improved. However, MAS is still not implemented by all entities that endorsed it. A funding gap still exists despite the establishment of the cost-sharing arrangements. The mutual accountability between the RCs and UNCT members for UNDAF results needs further reinforcement.

C. Delivering as One

133.   Governments in general perceived the DaO approach positively with regards to increasing the efficiency and coherence of the United Nations development system at the country level. Sixty-six per cent of all responding countries confirmed interest in all or some of the elements of "Delivering as One". Seventy-three per cent of those Programme Countries that are interested in "Delivering as One" stated that the introduction of the approach made it either 'much easier' or 'somewhat easier' for their Governments to deal with the United Nations system in their country. Likewise, the number of United Nations country teams that are adopting elements of "Delivering as One" is increasing. To date, 43 governments have requested the UN development system to adopt the 'Delivering as One' approach in their countries. Over of 70 per cent of RCs responding to DESA reported implementation of all or some pillars of the "Delivering as One" approach.

Figure XXIII: Status of countries in regard to "Delivering as one"

Source: 2014 Resident Coordinator Survey
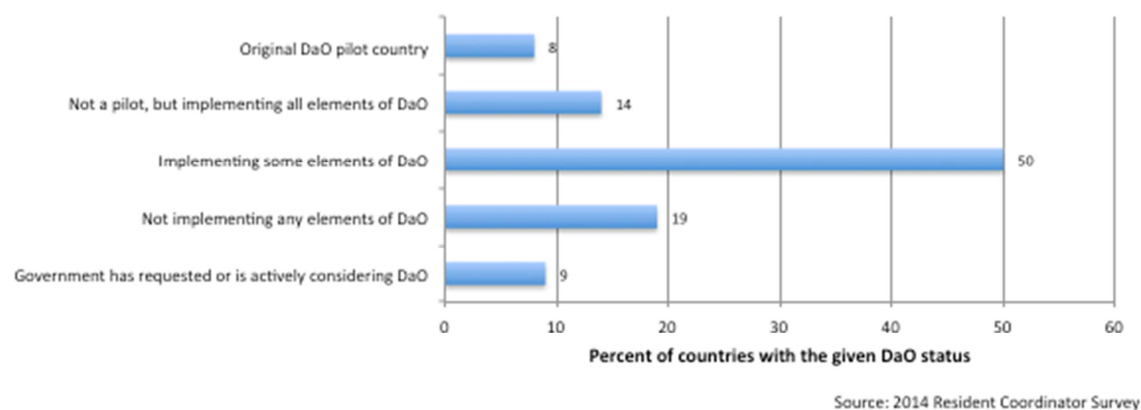
134.   With an increasingly positive perception of Governments towards the "Delivering as One" approach, United Nations country teams need to ensure that Governments are fully informed about the potential of the "Delivering as One" approach to provide tailored solutions to the specific challenges and priorities of individual countries. In August 2013, UNDG finalized the Standard Operating Procedures for countries adopting the "Delivering as one" approach. The Standard Operating Procedures with an integrated package of support for implementation by UN Country Teams was released in August 2014. The Standard Operating Procedures, designed to be adapted to different country contexts constitute a living document that will be updated and complemented based on the experiences in the implementation. UNDG members have begun integrating the SOPs into their internal agency guidance, while training on the SOPs for UNCT members is underway.

Figure XXIV: Time-bound actions "Delivering as one"

UN system to formulate Standard Operating Procedures and report to ECOSOC (OP140):		SOPs finalized by the UNDG for countries wishing to adopt a DaO approach	*Target: Report in 2013*	SOPs with an integrated package to support for implementation by UNCTs was released to further guide the implementation of the SOPs	*Achieved*
SG to propose options for CCPD approval to ECOSOC and General Assembly (OP143):	Proposals developed focusing on harmonization of CPD formats and simplification of approval process		*Target: Make recommendations to ECOSOC and GA in 2013*	Country-level experiences on common CPDs were shared at the joint UNDP-UNFPA-UNICEF-WFP informal consultation with EBs. The relevance of CCPDs is diminished in light of the SOPs.	*No follow-up planned*
2013				2014	

135.   Progress has been made in addressing headquarter-level bottlenecks that have prevented United Nations country teams from fully realizing the efficiency gains under the "Delivering as one" approach. 12 agencies reported that they have initiated an exercise to address challenges and bottlenecks, including working with their governing bodies. Of the 55 measures under the HQ Plan of Action adopted in February 2014, 24 have been completed. The tools and materials for the One Programme have been completed as well as all actions for the One Fund. The HQ Plan of Action remains an ongoing task requiring attention and UNDG aims to complete the remaining 31 measures of the HQ Plan of Action in the shortest period of time.

136.   "Operating as one" continues to progress slowly. While considerable progress has been made in procurement and ICT, most activities in the areas of human resources, finance, common premises and auditing are a work in progress. In 2015, the UNDG and High Level Committee on Management (HLCM) will be working together to identify what specific services at country level could lead to efficiency gains if carried out together, and identify what rules, regulations and policies need harmonization (where necessary and feasible).

137.   The UNDG has finalized a monitoring and evaluation framework for "Delivering as one". The framework applies to all countries that have adopted the "Delivering as one" approach and aims to oversee the operational effectiveness of the approach in line with the six principles that guided the development of the recently finalized Standard Operating Procedures.

138.   In response to QCPR and ECOSOC resolutions on Common Country Programme Documents (common CPDs), a joint UNDP-UNFPA-UNICEF-WFP informal consultation was organized during the second regular session of the UNDP/UNFPA EB in 2014. Country-level experiences on common CPDs were shared as part of a forward-looking discussion on the second generation of DaO. The analysis was drawn from surveys administered to eight countries with common CPDs, which yielded five joint responses. The survey responses suggested mixed value in terms of programme as the results indicate that the countries surveyed do not consider that CCPDs have contributed to coherence, efficiency and effectiveness of the UN country team (UNCT) in the implementation, reporting and evaluation stages. General feedback from the Member States indicated that experiences with common CPDs have not been very encouraging and raises the issue of continued relevance of the common CPDs. Going forward, the agencies envision the SOPs, rather than the CCPDs, as the main driver of UN coherence, efficiency and effectiveness at the country level.

139.   The interest in applying the DaO approach is clearly increasing. The necessary policies and instruments are being put in place. It is essential to make sure that the existing guidance, including the SOPs, is implemented at the country level in a way that best suits the national needs, realities, priorities and planning modalities, by UN entities and UNCTs. The success of DaO also requires the support of Member States. The financial support from donors and other stakeholders for the One Funds must be maintained.

D. Regional Dimensions

140.   The two principal mechanisms for UN system-wide coordination at the regional level are the Regional UNDG Team (R-UNDG) and the Regional Coordination Mechanism (RCM).

141.   The Regional UNDG teams' key role is to provide leadership, technical and policy support in the areas of strategic planning as well as performance and knowledge management to Resident Coordinators and UN Country Teams for the achievement of country level results. The Regional UNDG teams further focus on enhancing UN System wide coherence at the regional level and provide analytical work and studies, depending on demand and needs.

142.   The Regional Coordination Mechanisms (RCM) objective is to improve coordination among the work programmes of UN entities at the regional level, and increase cooperation and collaboration among UN regional entities and their development partners in addressing regional development issues.

143.   The R-UNDGs and the RCMs have been developing closer linkages in the past two years. In general, this collaboration has taken the form of joint regional conferences and common regional position papers to advocate on key development issues. In addition, they have worked closely in facilitating regional high-level and national consultations on the Post-2015 agenda and its means of implementation.

144.   From the perspective of UNCT members, the support from the Regional UNDG and the RCM needs to be further improved. According to the UNDG's UN Coordination Survey, 59% of UNCT members were satisfied with the role of the R-UNDG Teams in supporting UNCTs with the implementation of SOPs for countries wishing to adopt the DaO approach. The Regional UNDG Peer Support Group[53] was also considered favorably, with 63% of UNCT members recognizing its added value for the formulation of UNDAFs. In addition, 50% of UNCT members felt that the R-UNDG Teams provided effective support on the highest priority regional or sub-regional issues of relevance, and 53% felt that the RCMs provided effective support. The perceptions, however, vary significantly from region to region.

145.   Concerning global and regional joint activities, overall, there appears to be considerable variation from one agency to another in the degree to which they have joint activities at the global and regional levels. Entities reporting that over 60 per cent of both their global and regional activities are carried out jointly with at least one other UN organization are ECA, UNAIDS, UNEP, UNFPA, UNOPS and UN-Women, with UNAIDS, as a UN Joint Programme, reporting over 80 per

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[53] The UNDG Peer Support Group provides quality assurance, in particular for UNDAFs, supports performance management, assists with troubleshooting in country specific contexts and other areas of operational support services

cent at both global and regional levels.   Among specialized agencies, all reported under 20 per cent at both levels, except WHO which reported 20-40 per cent for joint activities at the regional level.

Figure XXV: Proportion of UN entities' global and regional activities which are carried out jointly with at least one other UN entity

Source: 2014 UN Headquarters Survey
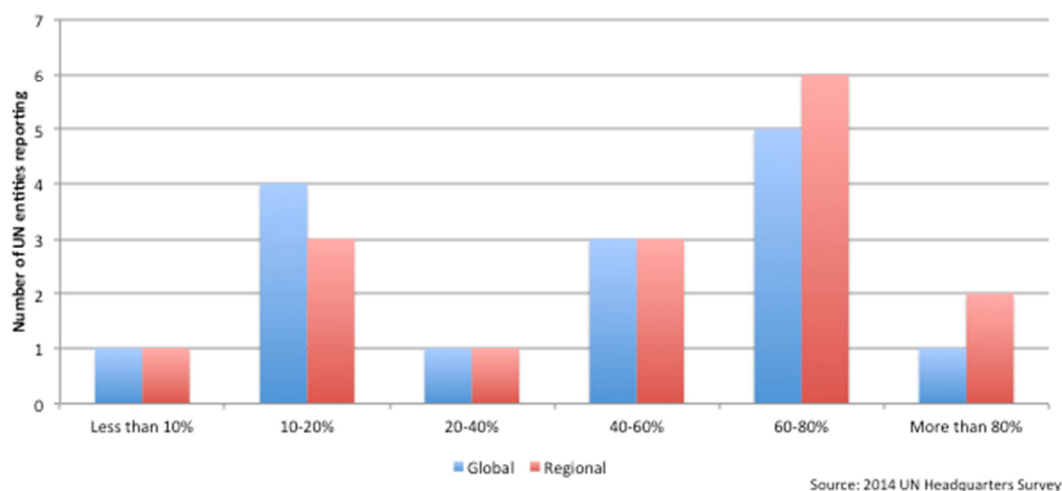
146.   Monitoring and accountability at the regional level is of great relevance for a multi-layered monitoring and accountability framework for the post-2015 development agenda, with the national level as the backbone. Regional mechanisms have the potential for peer review of progress on the post-2015 development agenda, which can be used at the national and global level. Regional mechanisms for monitoring and accountability must have legitimacy with the governments of member states in order to ensure that they are used and serve their intended purpose. The UN system at the regional level, given its legitimacy, substantive capacity and the connection with global and national processes, has a unique role to play in that regard. In particular, the regional commissions support the development of regional monitoring frameworks, as well as provide a platform for collective multi-stakeholder reviews of regional progress on the post-2015 development agenda. The UN system at regional level can also help identify incentives for countries to participate in these reviews and promote the use of the results of the peer reviews. It can assist countries in translating global goals into national policies, and provide guidelines to assist implementation at the national level, bearing in mind the regional context.

E. Simplification and harmonization of business practices

SOPs roll-out offers renewed opportunity for integrated business solutions

147.   The roll out of the Standard Operating Procedures for Countries adopting the Delivering as One Approach is a major step towards helping United Nations country teams to implement more integrated business solutions and to put in place common services in all areas of business operations. Monitoring the implementation of the Standard Operating Procedures will be essential to consolidate the harmonization of business practices at the country level. The considerable progress made through the SOPs must be followed by a measurable impact in terms of efficiency

gains and savings at the country level. In early 2015, an assessment of the SOP implementation involving both UNDG and the HLCM will be conducted to evaluate whether there is evidence of the efficiency and cost savings of this approach.

148.   The development and implementation of the country level Business Operations Strategy (BOS) as part of the SOPs may provide the framework to implement HLCM harmonized business operations policy. In addition, the BOS provides a framework to enhance the ability to measure impact and progress of the common operations agenda at the country level.

149.   In late 2012, the BOS Pilot Initiative started with 14 countries pioneering and testing the BOS. Thus far 9 countries have a BOS in place, 3 more are in the process of designing their BOS, while the last 2 have withdrawn since due to country-specific reasons. . Other countries are choosing to engage in harmonized business practices on a case-by-case basis. Procurement, ICT and HR are the three most popular operational areas in context of the BOS. The BOS pilot programme is planned to be evaluated in 2015 with the aim of improving the BOS framework based on lessons learned during the pilot programme.

Headquarter-level initiatives provide testing ground

150.   The UNDG and HLCM are in the implementation phase of a pilot for a common United Nations service center at the country level. The Joint Operations Facility in Brazil is scheduled to commence operations in January 2015. Eight United Nations entities are participating in the Joint Operations Facility pilot phase - UNAIDS, UNDP, UNDSS, UNEP, UNESCO, UNFPA, UNOPS and UN Women. FAO, WHO, UNICEF and WFP are considering their participation, based upon the results of a comprehensive cost benefit analysis. The facility will service the areas of procurement, human resources management, ICT and travel. The piloting of the Business Operations Strategy and the UN service center in Brazil will be subject to further analysis and channels for scaling up initiatives at the country level.

151.   In response to a number of inter-linked deliverables called for in the QCPR related to simplification and harmonization of business practices, UNDP, UNFPA, UNICEF, UNOPS, WFP and UN Women are developing a joint action plan for discussion with the EBs in 2015.

System-wide guidance development is underway

152.   As part of the development of a common guidance on collaborative procurement, the High Level Committee on Management (HLCM) carried out a review of the regulatory frameworks of United Nations entities. The review led to the identification of common elements that should be included in the procurement guidance of the different United Nations entities to ensure that there are no obstacles to collaboration. The harmonization of guidance is being implemented through adjustments in agency-specific manuals and inter-agency guidance, leaving no remaining obstacles to collaboration in the area of procurement. At the country level, the harmonization of guidance allows for the implementation of common procurement between UN entities enabling significant efficiency gains and cost savings.

153.   In the area of human resources management, a pilot project to harmonize the recruitment of locally recruited staff has been carried out in two countries – Uruguay and Vietnam. The pilot project aims to enable the use of common vacancy announcements, common assessment processes, and the use of common rosters. It is planned to gradually extend it to additional countries, based on

lessons learned from the pilots. The participation of additional countries will allow for a more systematic identification of regulatory obstacles to collaboration.

154.   In the area of finance, a proposal on the common definition of operating costs has been completed and adopted. The work is based on a previous exercise carried out by UNDP, UNICEF, UNFPA and UN Women to harmonize and improve the presentation of their support budget with the aim to present a single and integrated budget for each organization. The exercise included the review of harmonized cost classifications and results-based budgeting practices. Following this work, other United Nations entities will use the framework that has been developed as a reference for their cost definitions.

155.   Considerable progress has been made in the area of treasury services to ensure greater inter-agency collaboration and common approaches. In regards to banking services, common umbrella agreements are being negotiated for key global banking partners, while local negotiation is ongoing in selected countries to reduce fees and improve services. Furthermore, UN entities started using common electronic trading platforms for exchange transactions and have initiated joint work in the area of payments through common access to ERP systems. The abovementioned collaboration between UN entities in the area of finance has been possible within the existing agency-specific regulatory frameworks. UNFPA, UNICEF and UNDP have jointly appointed investment funds managers for ASHI funds in order to improve the current rate of return based on actuarial assumptions.

156.   The UNDG created a task force to identify policy gaps in the area of risk management in the context of pooled funding in special development situations. The task force focused on three deliverables: (a) an overview of current UN risk management practices in integrated programme and funding environments, with a special focus on conflict and transition settings; (b) a gap analysis assessing policy gaps in the current risk management practice, based on an analysis of risk management deficiencies drawing on recent experiences; (c) recommendations for additional policy and operational guidance to reinforce risk management practices in integrated programme and funding environments, particularly in conflict and transition settings. The task force is expected to complete its work in early 2015.

157.   UNFPA, UNICEF and UNDP are actively implementing the revised HACT Framework throughout their country-level operations. The 2005 version of the framework defined four criteria for HACT compliance, and the current framework puts accountability and monitoring of HACT implementation on each agency. As a result, the accountability and monitoring of HACT implementation may differ from agency to agency in the same country.

158.   In September 2014, the HLCM launched a study to determine the feasibility of establishing the full and system-wide interoperability of agency-specific enterprise resource planning (ERP) systems. The study is expected to be completed in early 2015 and will review existing common services practices with lead agency models and shared services, including joint functions that have already been established.

159.   The UNDG Task Team on Common Premises (TTCP) is tasked with harmonizing policy on UN office premises occupied by multiple UN organizations. and in September 2014 completed a strategy paper for UN Common Premises, which covers the scaling up, streamlining and rationalizing of the planning and execution of infrastructure required to fulfill the mandates of UN agencies, funds and programmes. The paper contains a strategic framework, which assist UNCTs to

identify cost-effective solutions for co-location, and which enhances planning, and the elimination of inefficiencies and redundant spending.

160.   While regulatory frameworks have been reviewed in selected areas of business operations, there has been no systematic approach to present plans for support services that are based on unified regulations and rules. In that regard, there is need to determine the feasibility of the harmonization of regulations and rules in a systematic manner, and discuss how to best implement common support services. United Nations entities should present plans as requested by the member states to allow for the development of a comprehensive strategy that will ensure that the change process is manageable, structured and inclusive.

Figure XXVI:Time-bound actions relating to the simplification and harmonization of business practices

Funds/Proggrammes to submit joint plans for consolidation of support services at country level to Executive Boards (OP152):	*Target: Plans submitted to EB at first regular session of 2014*	Business Operations Strategy developed	Piloting of Common UN Service Centre in Brazil started	Roll-out of Standard Operating Procedures	*Target: Report on achievements to GBs annually from end 2014; present joint Action Plan to GB in 2015*	*In progress*
UNDS to present plans to Governing Boards for further intra-agency rationalization (OP153):	F&P decided to address this action on an agency basis.	UNICEF, UNDP, UNFPA and WFP have reported initial progress during 2013 EB sessions.	*Target: Plans presented by end 2013*	UNICEF, UNDP, UNFPA and WFP reported to their EB at the first session in 2014		*Achieved*
UNDS to conclude framework agreements regulating mutual validity of agreements (OP154):		Standard inter-agency Memorandum of Understanding established	*Target: Agreements concluded by end 2013*	UN entities agreed to accept each other's procurement processes. Agency-specific guidances are being updated accordingly		*Achieved*
HLCM and UNDG to present plans for support services based on unified regulations and rules (OP155):		HLCM Networks initiated studying feasibility of harmonization of regulations and rules, policies and procedures in different functional areas		*Target: Plans presented in 2014 and implementation in 2016*		*Pending*
SG to present to EBs proposal on common def. of operating costs and standardized system of cost control (OP159):			Working group established through HLCM	Proposal on common definition of operating cost completed	*Target: System developed in 2014*	*In progress*
SG to undertake feasibility study for inter-operability of ERP systems (OP160):		Study initiated under leadership of SG of ITU	*Target: Feasibility study completed in 2014*	Study launched in September 2014. Expected results in first quarter 2015	*Target: Inter-operability in 2016 in line with results of feasibility study*	*In progress*
UNDS to develop a strategy supporting the establishment of common premises (OP161):			*Target: Present to ECOSOC by end 2013*		Development of strategy started	*In progress*

**Common services at the country level to be improved**

161.   While the efforts at headquarters level have accelerated and shown results in removing a number of bottlenecks that have prevented the harmonization of business practices, progress at the country level can be further improved. Implementation of common services should be based upon sound cost benefit analysis or existing long-term agreements with service providers. According to the recent survey of Operations Management Teams, United Nations country teams still do not systematically implement common services or base the implementation of common services on a sound business analysis and management practice.

Figure XXVII: Top ten common services based on existing inter-agency agreements

■ Inter-agency agreement

■ Inter-agency agreement + common long-term agreement

■ Inter-agenct agreement + common long-term agremen + cost-benefit analysis

Source: 2014 Survey of Operations Management Teams
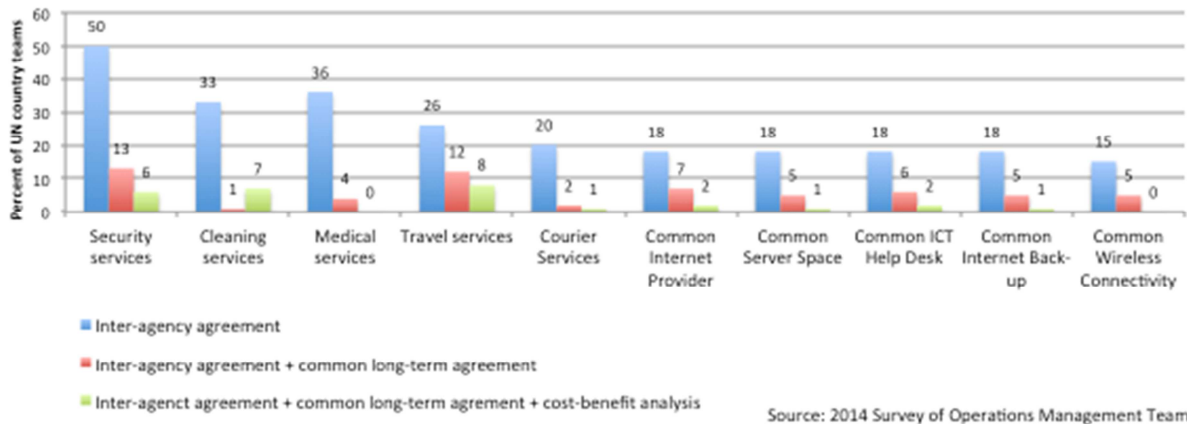
162.   There is a wide-spread perception that the existence of different rules and regulations, policies and procedures is the main factor preventing United Nations country teams from further harmonizing business practices. These will partly be addressed through implementing the measures of the HQ Plan of Action and partly through the Operating as One component of the SOPs. However, it should also be noted that the "Delivering as One" countries and a number of other countries have shown that for instance, the successful implementation of common services, the establishment of common premises or the set-up of a common ICT infrastructure does not necessarily depend on the unification of policies and procedures or rules and regulations. There is therefore a further need to increase the capacity of Operations Management Teams beyond the roll out of the Standard Operating Procedures to develop and implement smart and tailored business solutions at the country level.

Figure XXVIII:
Reasons preventing UN country teams from further harmonizing business practices at the country level

Source: 2014 Survey of Operations Management Teams
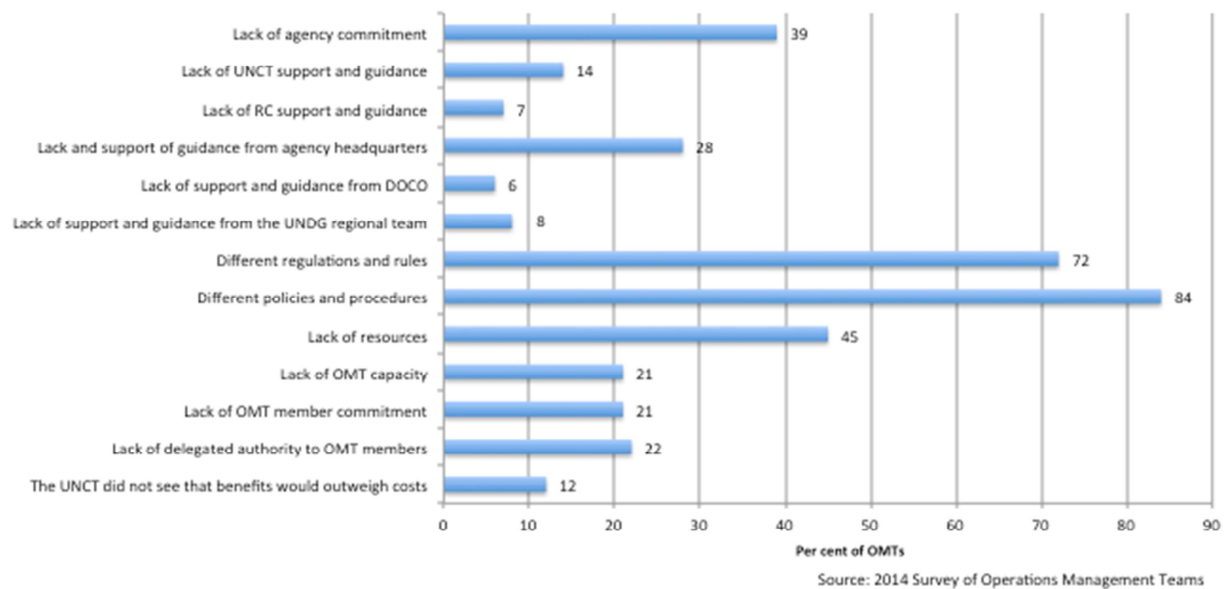
163.   The harmonization of business practices is not an end in itself. It must lead to considerable gains that outweigh the transaction costs of ongoing inter-agency coordination at a very high level of detail. This particularly applies to the call for the system-wide unification of regulations and rules, policies and procedures in all areas of business operations, where the costs of designing and implementing such unified regulations and rules, policies and procedures must be carefully weighed against the long-term benefits. However, member states have presented a clear direction, which needs to be systematically followed up with by the UN development system. This includes the establishment of common United Nations service centers at the country level. While the implementation of a joint operations facility in Brazil is a step in the right direction, a pilot in only one location does not suffice to effectively implement harmonized business solutions in all Programme Countries. Also, further global level analysis of ongoing efforts in agency-specific global shared service centers, as well as optimal means of harmonization should be carried out.

164.   Many common services at the country level do not necessarily require the harmonization of agency-specific regulations and rules or policies and procedures, and can be successfully managed by a lead agency or service center. Progress has been made at the headquarters level in reducing some of the barriers to creating common business solutions at the country level. It will be essential to ensure that UN country teams are made accountable to design and implement business operations strategies that are tailored to their country-specific requirements, harmonized and cost efficient.

F. Results-based management

165.   All Member States attach great importance to results-based management (RBM). The majority of governments stated that it is "very important" for the UN to "make better use of results-based approaches." The surveys suggested that governments and RCs concurred that government monitoring and evaluation capacities are under-utilized by the UN system.

166.   There has been some modest progress in the simplifying, streamlining and harmonizing the RBM systems. For example, 15 entities reported participation in UNDG initiative to develop and use common RBM tools and principles. However, only 8 entities discussed this issue at the level of governing bodies.

167.   Agreement of a common results framework allowing the UN to jointly report progress against commitments can also be seen as strengthening joint accountability of the UN, as highlighted in the QCPR. On the other hand, there is little evidence that the UN has considered the implications of trying to implement an RBM approach in a context where such approaches are not used by governments in many programme countries.

168.   The 2011 UNDG definition of RBM is that "*RBM is a management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services* contribute *to the achievement of desired results (outputs, outcomes and higher level goals or impact). The actors in turn use information and evidence on actual results to inform decision making on the design, resourcing and delivery of programmes and activities as well as for accountability and reporting."* As such, it originated for use <u>within</u> governments. It is important to note that it assumes that all actors, and not just the UN, are using RBM approaches in their planning systems. . However documentation outlining how individual member governments operate shows that RBM approaches and the principles under-pinning the approach vary significantly between Governments.

169.   Assessing progress in strengthening results-based management (RBM) at the UNCT level requires assessing wider reform efforts dealing with how the UNCT operates as a team and develops a common single programme. Agencies in the UNDG have committed to reporting on their performance to programme countries at least once during each UNDAF cycle through an UNDAF-level joint report on results, and annually in DaO countries, through an UNDAF-level joint report on results. Preparing a collective report can present challenges, since the structure of the various agency results frameworks, which define outputs, is different across the UN system, and as such it is not always possible to develop common indicators if results attributable to UN support are defined at different levels (definitions vary from 'activities', to 'products/services', to 'low-level outcomes'). Agencies indicated that efforts need to be made to optimize and simplify reporting obligations, and to harmonize indicators where possible. In this regard, it was recognized that there is the lack of agreed common approaches and definitions to measuring results and common indicators.

170.   To ensure UN development system's results contribute to national results and do not remain 'UN results', requires engaging in substantive and substantial dialogue with national partners on how results are defined, measured and reported on. It is therefore important that the United Nations development system does not develop its result-based management system in isolation of national systems. It is equally important that the UN system more proactively provide support to national governments and partner institutions in introducing and adapting RBM as part of their national monitoring frameworks and statistical systems.

171.   The post-2015 development agenda will most likely affect system-wide RBM by shifting the context within which RBM is implemented. These changes will have to be taken into account in due course. Demand for evidence from the individual governing bodies is likely to increase in the next few years, and also shift to increasing demand for evidence of development results. Setting realistic, and cost-effective, expectations of the UN's approach to system-wide RBM needs to start with a

better understanding of the needs of the programme country governments and the scope for implementing RBM.

G. Evaluation of operational activities for development

172. In accordance with GA resolution 67/226, the Interim Coordination Mechanism (ICM) set up to pilot the Independent System-Wide Evaluation (ISWE) within the UN system has developed a policy, which has been endorsed by member states in GA resolution 68/658.

173. A dedicated ISWE secretariat has been set up that is hosted by the Joint Inspection Unit (JIU). It works on two proposals for pilot independent system-wide evaluations selected by member states: i) Evaluation of the UN System's Contribution towards Strengthening National Statistics Capacities; and ii) Meta-Evaluation and Synthesis of UNDAF Evaluations 2009-2013.

174. The ICM is undertaking two main activities to launch the two pilot evaluations: i) consultations with stakeholders to enhance the relevance and value of the two evaluations and their linkage the Post 2015 Agenda and other developments in UN reform for relevance and coherence; ii) mobilization of resources for the planning and conduct of the two pilots from donor countries and other countries in a position to make contributions, including from non-governmental sources.

175. The aim of the ICM is to work within the principles of the ISWE policy and in this role champion and facilitate the implementation of the two pilot evaluations in a phased manner with the aim that they should feed into the analytical work in preparation of the 2016 QCPR.

176. The United Nations Evaluation Group continues to play a central role in strengthening the evaluation function including through the production of evaluation guidance documents, peer review of individual agency evaluation functions, evaluation of professionalization efforts, and knowledge and information exchange. In addition, as set out by its new Strategic Framework, adopted in 2013, UNEG is seeking to enhance the use of evaluation in policy making, strengthening advocacy and outreach activities, and establishing new partnerships with the wider international evaluation community.

177. Efforts to initiate and support the implementation of UNDAF evaluations need to be strengthened, including the assessment of how agreed programming principles have been addressed at the country level. In the last five years, about half of all Programme Countries with an UNDAF or equivalent instrument have carried out an evaluation, though the UNDAF evaluation has been a mandatory UNDG requirement since 2009. The prevalence of UNDAF evaluations did not change significantly between 2013 and 2014.

178. The quality of UNDAF evaluations is mixed, partly due to low level of investments in evaluations, and poor utilization of UNDAF evaluation findings is also a concern. While the meta-evaluation and synthesis of UNDAF evaluations will examine these issues concretely, there is a need to enhance the quality and use of UNDAF evaluations through increased investment and use of guidance developed by UNEG, in collaboration with UNDG.

H. Follow-up and monitoring

179.   Considerable progress has been made in reporting against the QCPR monitoring and reporting framework with the establishment of baselines for most of the indicators.[54]

180.   Funds and programmes have integrated the QCPR implementation reporting into the annual reporting on their Strategic Plan, which contains reporting on common indicators guided by the QCPR monitoring and reporting framework. The change in timing of the ECOSOC substantive session on operational activities for development has also made it possible to conduct more comprehensive and in-depth reviews of the annual reporting by Funds and Programmes.

181.   A Task Team. led by DESA, was put together in the first-half of 2014 to map each indicator in the QCPR monitoring and reporting framework to the best and most cost-effective data collection method, using existing data collection instruments wherever possible. The Task Team also reviewed the timelines of the different collection methods to ensure that information would be available in a timely manner to be reflected in the present SG's report.[55]

182.   After the work of the Task Team was complete, the DESA surveys were fully redesigned in a participatory manner to be fully aligned with the wording of the indicators in the QCPR monitoring and reporting framework. The new format of the Resident Coordinator Annual Report (RCAR) is currently being finalized by UNDG, with the plan to have first reporting in this format in 2015. For 2014, the reporting of respective indicators is covered through the Resident Coordinator survey, which was specifically amended to provide the correlating data, and through Section 2 of the UNDG Coordination Survey. Further information on the surveys can be found in the methodology note within the background material of this report.

Figure XXIX: Time-bound Actions "Follow-up and monitoring"

SG to report on results achieved to ECOSOC at substantive sessions 2013, 2014 and 2015 (OP186):	*Target: Annual reporting from 2013 to 2015*		QCPR Monitoring and Reporting Framework developed by DESA and UNDG	2014 Secretary-General report finalized and presented	2015 Secretary-General report finalized and presented	*In progress*
	2013			*2014*		*2015*

183.   As part of the follow-up and monitoring of the QPCR, in resolution E/2014/14, ECOSOC has requested an inclusive dialogue involving Member States and all relevant stakeholders on the longer-term positioning of the UN development system taking into account the post-2015 development agenda. This includes a discussion on the inter-linkages between the alignment of functions, funding practices, governance structures, capacity and impact of the UN development system, partnership approaches, and organizational arrangements. The Bureau of ECOSOC has been requested to provide updates on progress in this regard to the Operational Activities Segment during 2015 and 2016, and the Secretary-General has been requested to reflect these discussions in

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[54] With the indicator framework being finalized in late-2013 and the change in timing of the ECOSOC substantive session on operational activities for development being moved to February each year, there was not an opportunity to gather baseline data for most indicators in last year's edition of this report.

[55] A note on the outcome of this Task Team is included as part of the background material for this report (http://www.un.org/en/ecosoc/newfunct/qcpr_implement.shtml).

his report on the QCPR to the General Assembly for consideration and action by Member States in the next QCPR.

184.   Given the scope and complexity of the issues and their connection with the on-going intergovernmental and interagency processes, a two-phased approach was adopted to address the mandate. Phase I (October 2014 – February 2015) of this initiative will focus on the interlinkages between the areas identified in the resolutions and the identification of key issues. Phase II (March 2015 – February 2016) will focus on the long term position of the UN development system, in light of the post-2105 development agenda. This phased approach will also benefit from the on-going work on the post-2015 agenda both at the inter-governmental and inter-agency level. The first session of the ECOSOC Dialogue will take place on 15 December. The second session of the dialogue remains is expected to take place on 30 January 2015.

V.   Effectiveness of the United Nations Development System

185.   The UN system emerged as the preferred partner for most countries in almost all the areas listed[see table 5 below]. In particular, the UN system is seen by programme country governments as a particularly relevant partner in the areas of peace, security and humanitarian assistance, institutional capacity development and facilitating the participation of civil society in national development processes. The Bretton Woods institutions were also chosen by many countries as a preferred provider for 'mobilizing external resources for development.'

186.   The role of the UN development system varies with country context. But, in general, the activities of the UN are closely aligned with country's development needs and priorities. Of the 74 programme country governments that responded to the 2014 DESA survey, 93 per cent stated that UN activities are either very closely aligned or closely aligned with country needs and priorities. The level of alignment is more favorably rated by governments of DaO and self-starter countries, a pattern also seen in 2012, which may suggest DaO promotes better alignment.

187.   Working towards the achievement of the MDGs is judged to be a focus of the UN's work in most countries. Nearly 75% of low income countries and lower middle income countries that responded to the DESA survey of programme country governments strongly agreed that the UN's efforts are focused on assisting countries in achieving IADGs, including MDGs, whereas about half of upper middle income countries and high-income countries held the same view. The difference in perception could suggest the differentiated needs of these countries and differentiated support provided by the UN system as a result.

188.   The UN development system is particularly valued for its advocacy for international norms and standards, its credibility, its ability to provide access to specialized knowledge in a wide range of subject areas and its impartiality. However, the UN needs to strengthen its flexibility in responding to the changing needs of programme countries. 17% of responding governments stated that the UN responded to changing government's priorities and strategies in a quick manner..

189.   The contribution of the UN development system is seen by governments as being most significant in the areas of gender, health, environment and governance by over 60% of programme countries. Other widely appreciated areas include sustainable development policies, poverty reduction, food security and nutrition, human rights, education and disaster risk reduction. A similar pattern was also shown in the 2012 survey. It should be noted that the generally lower

percentages in 2014 does not necessarily signify a change in the extent of satisfaction with UN performance in any of the areas. Rather, it reflects the fact that the survey offered more areas to choose from in 2014.

Table 5: Number of countries selecting each partner as one of the two preferred providers of external support

Partner	Peace, security and huma-nitarian assistance	Global Challenges requiring collective Action[56]	Supporting south-south and triangular cooperation	Supporting regional or sub-regional cooperation	Mobilizing external resources for development	Policy advice on national strategies and plans	Sectoral programming advice and technical assistance	Institu-tional capacity develop-ment	Facilitating participation of civil society & NGOs in national development processes	Providing equipment and services
UN system (Funds, Progs & SAs)	50	30	42	34	30	44	40	55	41	34
Bretton Woods Institutions (World Bank, IMF etc.)	6	24	9	14	33	36	29	19	8	23
Other multilateral & regional institutions not part of the UN	23	17	15	32	24	16	25	22	15	19
OECD/DAC partners (Traditional bilateral donors)	15	17	16	16	24	19	26	24	16	20
Southern partners	7	3	20	14	7	3	7	9	6	8
Thematic or alliance-based partners (eg The Global Fund)	8	10	7	6	15	4	11	11	9	13

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[56] Global challenges requiring collective action include climate change, biodiversity & trans-border issues, such as water and migration.

Table 6: Governments view about the areas where the UN's contribution is most significant

Thematic Areas	Response (%) 2014
Gender equality	67
Health	64
Environment and natural resources (including climate change, water and environmental sanitation)	61
Governance and public administration	60
Sustainable development policies (Policies that integrate economic, social and environmental dimensions)	49
Poverty reduction	46
Food security and nutrition	46
Human rights and equity	46
Education	44
Disaster risk reduction	41
Social Protection	39
Agriculture and rural development	39
Humanitarian assistance	36
Economic growth and employment	27
Peace-building and early-recovery	27
Decentralization	24
Knowledge and technology transfer	19
Industry, trade and investment	16

190.   At the same time, the expectations of programme countries suggest the need for the UN system to strengthen its role in some areas where it is not currently seen as a significant player, for example, economic growth and employment.

**Table 7: Governments expectations about the support of the UN system to their country in the next 4 years[57]**

Thematic area	Response %
	2014
Economic growth and employment	52
Environment and natural resources (including climate change, water and environmental sanitation)	51
Sustainable development policies (Policies that integrate economic, social and environmental dimensions)	48
Poverty reduction	42
Health	41
Governance and public administration	37
Education	37
Agriculture and rural development	34
Food security and nutrition	28
Disaster risk reduction	25
Peace-building and early-recovery	23
Gender equality	21
Human rights and equity	21
Decentralization	20
Social Protection	18
Industry, trade and investment	17
Knowledge and technology transfer	13
Humanitarian assistance	8

191.   Within these overall figures, there were differences in the responses according to the income level of the country. From the chart below, it may be seen that food security, peace-building, decentralization and industry, trade and investment were relatively popular with low income and lower middle income countries as these countries accounted for over 60% of the respondents that chose the themes, while the upper middle income and high income countries accounted for over 60% of respondents that chose gender equality, human rights and education.

192.   It must be stressed that the chart below shows the relative importance of themes. A longer blue line, such as for peace-building and early recovery for example, indicates that the theme was more popular among low-income countries than other countries; it does not indicate that it was the most popular item for low-income countries.

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[57] Respondents were asked to select the five most important areas for UN assistance to their country in the next four years from the list. The 2014 Survey added two new areas to the list of the 2012 Survey, namely Sustainable development policies; and Social Protection.

Figure XXX: Relative importance of different areas for assistance, according to country income level, 2014
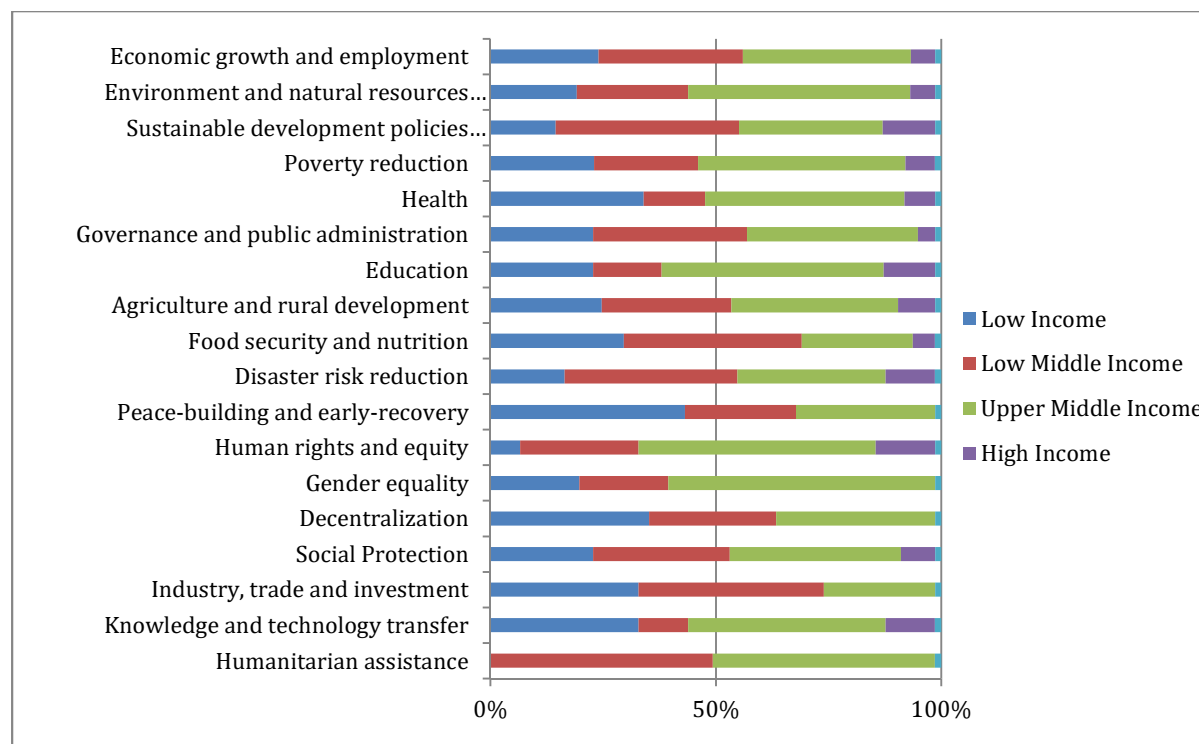
193.   At the juncture of transition from the MDGs to the SDGs, programme country Governments expressed renewed expectations from the UN development system, namely that the UN system support accords the highest priority to economic growth and employment, environment and natural resources, and sustainable development policies, followed by poverty reduction and health. Delivering on these roles effectively requires a coherent and efficient operational system.   The feedback from programme countries also suggests that the continued relevance of the UN system hinges on its ability to provide coherent and integrated support, tailored to changing country needs and priorities.

VI.   CONCLUSION

194.   The new single comprehensive monitoring and reporting framework is proving to be an effective tool for monitoring QCPR implementation progress. The comprehensive coverage of the framework is also a reflection of the strong engagement of the CEB – UNDG, HLCM and HLCP, with the support of DOCO, and of the UN development system entities.

195.   In general, the findings of this report reveal that the funding-related trends that have been evident over the past decade continued in 2013. The funding base broadened further in 2013 with 27 per cent of total funding, or $7.2 billion, coming from non-State donors, with another $1.5 billion in funding received from non-OECD/DAC donors.

196.   Non-core funding increased by $2.5 billion in 2013 compared to 2012. At the same time core resources remained at about the same level resulting in the core share dropping to 25.5 per cent of total funding for UN-OAD in 2013.

197.   While long-standing appeals to correct the core/non-core imbalance have to date had no positive impact on results, discussions on improving the quality of resources have accelerated since the adoption of the QCPR through the structured dialogues on how to finance the development results agreed upon in the new strategic planning cycle. Within these structured dialogues, steady progress has been made in the past year on the definition of common principles for the concept of critical mass of core resources[58], though efforts fall short of meeting the QCPR mandate on the development and operationalization of concept of the "critical mass" of core resources .

198.   The structured dialogues also offer another potentially positive benefit, namely to look more closely at how non-core resources can best be incorporated into strategic planning processes. Non-core resources represent an essential component of the UN development system and attract very significant levels of funding support. This support indicates that donors and programme countries both value the programmes on offer in the UN system, and that they are delivered with generally acceptable levels of effectiveness and efficiency. This is a very important strength of the UN development system which should not be ignored.

199.   The launching of annual structured dialogues on financing development results could provide the platform and opportunity to consider, for individual entities as well as the UN development system as a whole, adjusted funding architectures that are better fit for the post 2015 era and that are based on the full integration of different funding streams for the financing of agreed upon development results. The continued consideration and adjustment of cost recovery arrangements as envisaged in 67/226 should logically form an integral part of considering such fully integrated funding approaches.

200.   Notable progress has been made in implementing a number of QCPR provisions. Out of 22 entities accounting for 97 per cent of both total and development-related operational activities of the UN development system, 15 have aligned their planning and budgeting cycle with the QCPR. Most UN entities have made a strong effort to align their strategic frameworks with the requirements of the QCPR. This progress is particularly noticeable at the front end of the programme cycle – in terms of the strategic orientations and broad programme policy parameters and at the country level in the increased use of more common strategy and programming tools.

201.   Less progress has been achieved on the use of Common Budgetary Frameworks with only 25% of countries reporting their use. RCs report ongoing challenges with regard to the timeliness and quality of information being provided by some entities. Closer to the operational level, progress has also been more limited as the differing requirements of entity boards and management teams continue to pose challenges.

202.   Feedback from governments and Resident Coordinators indicate that the UN system to a large extent utilizes national experts and institutions in the design and implementation of its work; however, national monitoring and reporting systems, national procurement, financial and evaluation capacities have been relatively under-used. Feedback from both programme country governments and the UN system in that regard points to many challenges related to institutional capacities.

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[58] Executive Boards of UNDP, UNFPA and UNICEF decisions 2014/24, 2014/25 and 2014/17 respectively

203.　　Progress towards harmonization of business practices at country level remains slow. In the context of vertical accountability still overriding horizontal accountability, coherence can go as far as the extent to which the operational systems are made common, thereby reducing the cost of collaboration. Parallel operational systems underpinned by different rules and regulations remain a significant obstacle, and whether they can be harmonized is a major test of commitment to coherence of all stakeholders.

204.　　The roll-out of the SOPs provides new momentum to improve programmatic and operational coherence. An increasing number of governments indicated interest in the DaO or some of its elements. The UNDAF continues to serve as a useful tool for strengthening coherence at country level, but its implementation needs to be improved, and a good step towards that objective are joint national-UN committees. The Management and Accountability System is being implemented by a greater number of agencies, noting a more balanced implementation of all its elements at country level is needed.

205.　　As the contours of the post-2015 development agenda are consolidated towards the Summit in September 2015, it could be timely to start to reflect on some of the considerations that Member States may wish to address in the preparations for the next QCPR.

206.　　In terms of the general environment, the UN development system is but one part of a set of development and humanitarian networks that have grown dramatically. While much of the discussion in the QCPR context in recent years has focused on looking at the internal workings of the UN development system, it is probable that the evolving post-2015 development agenda will require not only some measure of intensified UN development system coordination and collaboration, but also greatly expanded coordination and collaboration with other players and networks.

207.　　Enhanced coordination, whose costs have been deemed reasonable in past reports, will be a subject of continuing focus. Further work on the harmonization of the policies, procedures, rules and regulations holds potential for reducing the workload of programme countries and improving UN efficiency. A better understanding of the costs and benefits of such efforts will be required in order to avoid excessive focus on harmonization that could lead to involvement into detailed areas where it is both expensive and difficult to harmonize practices.

208.　　Similarly, much of the work of the UN in building coherence in its programming instruments is based on the assumption that programme countries want a structured programme package from the full UN development system The continued validity of this assumption may remain true for countries with limited institutional capacities to manage themselves their programmes of external assistance. As developing countries move gradually towards stronger domestic management capacities, more may wish to manage themselves their external assistance strategies and supplier choices. Appropriately adapting the UN's programming modalities will therefore require significant differentiation based on the capacities and preferences of the countries.

ANNEX I: QCPR MONITORING AND REPORTING FRAMEWORK

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
**II** **Funding of operational activities for development**
**II. A. General principles**
1	24	Total funding for UN operational activities for development.	CEB Financial DB and reporting system;	Annually	$23.9 billion	$26.4 billion	
2	11, 24	% share of UN-Operational Activities for Development relative to total ODA.	1) CEB Financial DB and reporting system; 2) OECD.Stat	Annually	17.0%	17.0%	
3	11, 24	% share of UN-Operational Activities for Development relative to total multilateral ODA.	1) CEB Financial DB and reporting system; 2) OECD.Stat	Annually	29.1%	28.5%	
4	24, 33, 77	Total funding from non-OECD/DAC countries (excluding local resources)	CEB Financial DB and reporting;	Annually	$1.193 billion	$1.531 billion	
5	24, 33, 77	% share of funding from non-OECD/DAC countries relative to total estimated global South-South cooperation flows (excluding local resources)	1) CEB Financial DB and reporting system; 2) IDCR	Annually	9.1%	N/A[59]	
6	24, 37	Total funding received from non-state partners.	CEB Financial DB and reporting system;	Annually	$5.946 billion	$7.218 billion	
7	24, 37	% share of total funding for UN Operational Activities for Development coming from non-state partners.	CEB Financial DB and reporting system;	Annually	24.9%	27.3%	
**II.B. Enhancing the overall funding, in particular core resources**
8	25, 33	Total core funding for UN Operational Activities for Development	CEB Financial DB and reporting system;	Annually	$6.709 billion	$6.722 billion	
9	26, 29	% core share of funding for development-related activities from governments (excluding local resources).	CEB Financial DB and reporting system;	Annually	45.9%	45.0%	
10	27, 28, 44	% share of non-core resources for development-related activities channeled to pooled, thematic and joint-funding mechanisms applied at the global, regional and country-levels.	CEB Financial DB and reporting system;	Annually	10.2%	9.2%	
11	118,	% of programme countries where over 20% of UN resources	1) RCAR*	Annually	23.9%	14.6%	

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[59] South-South cooperation data for 2013 not available

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
	124(g), 135, 141	relate to joint programmes and are subject to pooled or pass-through and/or MDTF fund management arrangements (as against parallel funding)	2) CEB Financial DB and reporting system; 3) MPTF Office				
12	35	# of UN entities reporting to their governing bodies in 2014 on concrete measures to broaden the donor base.	DESA UN HQ survey**	One time (2014)	17	17	
13	39	# of UN funds and programmesⁱ that defined common principles for the concept of critical mass of core resources by 2014	DESA UN HQ survey;	One time (2014)	8	8	
II.C. Improving the predictability and quality of resources							
14	41	# of UN entities consolidating all projected core and non-core resources within an integrated budgetary framework.	DESA UN-HQ survey**	Annually	N/A	17	
15	42	% of UNCTs implementing a common budgetary framework at country level	RCAR*	Annually	21%	21.3%	
16	24, 33,40	% of top ten donors of funds and programmes with core contributions changing by 20 per cent or more from the previous year.	CEB Financial DB and reporting system;	Annually	17.9%	35.9%	
17	46	# of UN entities that held structured dialogues in their respective governing bodies during 2014 on how to finance the development results agreed in the new strategic planning cycle.	DESA UN HQ survey**	One time (2014)	13	13	
18a	10, 11, 13, 19, 30	% share of core country-level programme expenditures spent in Least Developed Countries (excluding local resources).	CEB Financial DB and reporting system;	Annually	40.6% (2011)	46.2%	
18b		% share of total country-level programme expenditures spent in Least Developed Countries (excluding local resources).			50.5% (2012)	48.0%	
II.D. Ensuring full cost recovery							
19	47, 53	# of UN entities that have adopted harmonized cost recovery frameworks by end of 2013.	DESA UN HQ survey**	Annually	11	11	
20a	43, 48, 51, 53	% of total core expenditures on development-related activities by funds and programmes directed to programme activities	DESA desk review of agency annual reports	Annually	64.4% (2011)	N/A[60]	
20b		% of total non-core expenditures on development-related activities by funds and programmes directed to programme activities			92.7% (2011)		
21a	43, 48, 51, 53	% of total core expenditures on development-related activities by specialized agencies and other UN entities directed to programme	Source to be determined[61]	Annually	69.1% (2011)	N/A[57]	

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[60]Data will be available in next report since GA resolution 67/226 called for full implementation of new cost recovery frameworks in 2014.

[61] Data not available from DESA UN-HQ survey

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
		activities			83.1% (2011)		
21b		% of total non-core expenditures on development-related activities by specialized agencies and other UN entities directed to programme activities					
22	54	# of UN entities reporting on cost recovery amounts within their regular financial reporting.	DESA UN HQ survey	Every two years	13	13	
III **Capacity Development & Operational Effectiveness**							
III.A. Capacity-Building and Development							
23	14, 57-63	% of new UNDAFs or equivalents that substantively address national capacity development	Desk review by Regional UNDG (PSG)	Annually	N/A	96%	
24	57-63	% of programme country Governments that 'strongly agree' that UN system has been effective in developing national capacities	DESA programme country survey	Every two years	24.1% (2012)	30.6% (2014)	
25	64	% of programme country Governments that 'strongly agree' that UN system uses national monitoring and reporting systems wherever possible	DESA programme country survey	Every two years	10.2% (2012)	17.1% (2014)	
26	64, 66	% of Resident Coordinators who 'strongly agree' that the UN system is using parallel implementation units (PIUs) as little as possible	RC survey[62]	Every two years	N/A	16.7%	
27	63	Common approach and framework to measure progress in capacity development results developed.	UNDG/UPN	One time	N/A	No	
28	63	Average % of agency country offices using the common UNDG capacity measurement approach (when fully developed)	Coordination support survey	Annually (once fully developed)	N/A	N/A	
29	14, 15	Three dimensions of sustainable development reflected in strategic plans of UNDG members	DESA desk review of agency strategic plans	Every two years	N/A	Yes	
III.B. Poverty Eradication							
30	70,71	% of new UNDAFs or equivalents that substantively address poverty eradication	Desk review by Regional UNDG (PSG)	Annually	N/A	96%	
31	19,73	% of programme country governments who "strongly agree" that UN contributions in the eradication of multi-dimensional poverty and achievement of IDGs is "significant"[63]	DESA programme country survey	Biennial	N/A	26%	

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[62] Programme country survey did not reflect this indicator. This report therefore updated the source and the indicator in respect of Resident Coordinators.

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
III.C. South-South Cooperation and Development of National Capacities							
32	74,77	# of UN entities that integrate south-south cooperation into their strategic plan.	DESA UN HQ survey**	Every two years	N/A	20 (95%)	
33	74 ,77	# of UN entities that actively report on south-south cooperation in their annual reports	DESA UN HQ survey**	Every two years	N/A	18 (86%)	
34	74,77	% of new UNDAFs or equivalents that substantively address south-south and triangular cooperation	Desk review by Regional UNDG (PSG)	Annually	N/A	75%	
III.D. Gender Equality and Women's Empowerment							
35	81,85 88,91	% of new UNDAFs or equivalents that have specific results and resources for gender equality	Desk review by Regional UNDG (PSG)	Annually	N/A	80%	
36	81,82 83,85	% of countries conducting the gender scorecard that meet minimum standards (rating 4) in at least half of the gender score card areas	RCAR*/UNWOMEN[64]	Annually	N/A	52%	
37	86 89	# of UN entities that track and report on allocations and expenditures using gender markers	UN-Women[65]	Annually	N/A	11 [as of Jan 2014]	
38	83 90	Minimum set of gender indicators developed and endorsed by UN statistical commission for system wide use	UNWOMEN	Once	N/A	Endorsed	
39	86 92	# of entities that have achieved gender balance among both General Service staff and high-level posts (P4 and above)	SWAP	Annually	N/A	GS: 30/34 P4 & above: 2/35[66]	
40	87	Status of implementation of the system-wide evaluation of the effectiveness, value added and impact of the System-wide Action Plan on Gender Equality and the Empowerment of Women.	JIU	Once starting in 2016	N/A	N/A	
III.E. Transition from Relief to Development							
41	93, 94	% of new UNDAFs or equivalents that have effectively integrated disaster and climate risk	Desk Review by Regional UNDG (PSG)	Annually	N/A	79%	
42	93,94, 108-110	% of programme countries that report biennially on progress on disaster risk reduction.	UNISDR	Annually	N/A	N/A	
43	104, 105	# of countries in which agreements / arrangements/ initiatives	RCAR*	Annually	N/A	41.8%	

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[63] 2014 survey measured % of programme country governments who strongly agreed that the UN is effective in ensuring adequate attention and resources are given to the development needs of the poorest and most vulnerable segments of society

[64] Added UNWOMEN as new source

[65] Indicator 37 previously suggested an additional source "DESA desk review of agency annual reports". As UNWOMEN will provide such information, this source has been removed, as DESA has no such capacity.

[66] Source: UN Women for GS and from CEB for P4 and above

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
		exist with key partners including the Bretton Woods institutions for response to crisis					
44	107	Endorsement of standardized instruments by the Secretariat entities and the UN Development system to support joint programming and business operations in countries with a UN mission present	Integration Steering Group	Annually	N/A	IAP endorsed in April 2013	
45	102	# of countries with country-led and inclusive mechanisms to coordinate support to national priorities for transition	RCAR*	Annually	N/A	81%	
IV							
Improved Functioning of the United Nations Development System							
IV.A. United Nations Development Assistance Framework							
46	4,5, 7, 12, 21, 113, 114	% of programme countries where a joint national Steering Committee (or similar group) conducted annual UNDAF (or equivalent) review in the past 12 months	RCAR*	Annually	53% (2013)	64.2% (2014)	
47	130(b), 171	% of UNCTs that have submitted an UNDAF progress report to the national government once in the past four years (and annually for DaO)	RCAR*	Annually	N/A	71.8%	
48	9, 12	% of programme country governments that strongly agree that the UN is effective or highly effective in facilitating the participation of civil society and national non-governmental organizations in national development processes[67]	DESA programme country survey	Every two years	N/A	61%	
49	9, 12, 20, 114, 124(i)	% of civil society organizations that 'strongly agree' that the United Nations collaborates 'as much as possible' with civil society and national non-governmental organizations	CSO survey supplemented by Coordination support survey	Every 4 years	44.1 (2012)	N/A[68]	
50	5, 7, 12, 113, 115	% of governments that consider UN activities 'very closely' or 'closely' aligned with national needs and priorities	DESA programme country survey	Every two years	83%	93%	
51	18, 116	% of governments which are 'satisfied' or 'very satisfied' with the UN's ability to provide access to relevant expertise from across the UN system including NRAs[69]	DESA programme country survey	Every two years	54%	56%	
52	23, 58	% of UNCTs that indicate that disaggregated data i.e. income level, gender, age, disability, minorities (ethnic, religious, language, etc.)	RCAR*	Annually	N/A	**Income:** 87.2% **Gender:**	

[67] 2014 survey reveals % of programme country governments that select the UN as a preferred partner in facilitating the participation of civil society and national non-governmental organizations in national development processes

[68] CSO survey is conducted every four years; it was not conducted in 2014

[69] 2012 and 2014 surveys: % of programme country governments that consider 'provides access to specialized knowledge in a wide range of subject areas' to be a 'very relevant' attribute of the UN system.

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
		and indigenous people has been adequately used to inform the country analysis stage				79.5% **Age:** 83.3% **Disability:** 51.3% **Minorities:** 47.4% **Indigenous peoples:** 24.4%	
53	23	% of new UNDAFs or equivalents that include reference to needs of persons with disabilities in line with UNDG guidance note on including the rights of persons with disabilities in UN programming at country level	Desk review by Regional UNDG (PSG)	Annually	N/A	69%	
54	58	% of UNCTs that have used human rights-based approach as a programme principal in the new UNDAFs	Desk review by Regional UNDG (PSG)	Annually	N/A	84%	
55	14	% of new UNDAFs or equivalents that include sustainable development as a strategic priority area in line with UNDG programming guidance	Desk review by Regional UNDG (PSG)	Annually	N/A	96%	
56	119	# of UN entities which[70] have developed measures to simplify and harmonize agency-specific programming instruments (specify type of instrument)	DESA UN-HQ survey**	Annually	N/A	13 (68%)	
57	117, 119	Average number of months needed for preparation process of new UNDAFs.	Desk review by Regional UNDG (PSG)	Annually	N/A	12	
58	117, 120	% of programme country governments that 'strongly' or 'somewhat' agree that there is a clear division of labor among UN agencies at the country level	DESA programme country survey	Every two years	N/A	67.1%	
59	117	% of programme country governments that 'strongly agree' that UNDAF or another UN planning framework has helped to improve focus on results[71]	DESA programme country survey	Every two years	47.7 (2012)	47.2 (2014)	
60	121	# of UN agencies which have aligned planning and budgeting cycles to the QCPR timeframe	DESA UN-HQ survey**	Annually	12	15	
IV.B. Resident Coordinator System							
61	42, 124(h)	Full implementation of the following elements of the M&A system:		Annually			
61a	130(a)	- % of UN entities that have revised the Job description of	DOCO collecting at HQ		N/A	70%	

[70] Wording change from who to which

[71] 2012 and 2014 surveys reveal the % of programme country governments that 'strongly agree' that UNDAF or another UN planning framework has helped to the UN to achieve better results than if each UN agency had planned its support to your country separately

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
	130(c)	their UNCT members to recognize the role of the RC	level supplemented by Coordination support survey				
61b	131	- % of UN entities recognizing reporting obligations to the RC on resource mobilization and programme implementation performance of any UNDAF/One Programme elements led by the agency			N/A	70%	
61c		- % of UN entities that have included RC's inputs in UNCT members performance appraisal system			N/A	60%	
61d		- % of UN entities that have included UNCT results in agency representatives' performance appraisal system			N/A	75%	
61e		- % of UNDP country directors that have signed delegation of authority letters, including for resource mobilization, with RC/RRs	RCAR*		N/A	85%	
62	124(b)	% of RCs that are female	DOCO (HR database)	Annually	40%	39%	
63	124	% of RCs from programme countries	DOCO (HR database)	Annually	44%	44%	
64	125	% of governments that are of the view that UN staff (heads of agencies) has the 'right mix of capacities and skills including for high-quality policy and programme advice, and the highest standards of leadership skills'	DESA programme country survey	Every two years	N/A	**Capacities:** 82.1% **Leadership:** 88.3%	
65[72]	128	# and % of UN entities fully implementing the cost-sharing arrangement	DOCO	Annually	N/A	11 entities/ 60%	
66	128	Proposal on funding modalities of the resident coordinator system submitted to ECOSOC & GA in 2013	UNDG	One time (2013)	No	In progress[73]	
67a	128	Contributions in cash provided to the RC system	RCAR*/ DOCO[74]	Annually	N/A	$18.8 Million	
67b[ii]		Contributions in kind provided to the RC system	TBC	TBC	N/A[75]		
68	124(a), (b) 127(c)	RCAC reviewed and improved with the ultimately goal of bringing in high-caliber leaders	DOCO	Once	N/A	Completed	
69	124(J)	% of UNCT members[76] with 'very adequate' delegated authority to make decisions on behalf of their agency.	Coordination support survey	Annually	N/A	24%	

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[72] The UN entities will also be enumerated (#), in addition to reporting in %.
[73] Please refer to the text under Section IV.B. on the RC System
[74] DOCO added as a source
[75] No source could be identified. Further efforts will be made in 2015 to identify a data source.
[76] Changed from UNCT by agency to UNCT members

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
IV.C. Delivering As One							
70	134	# of Delivering as One countries	DOCO	Annually	33	43	
71	134	% of countries applying components of the SOPs	RCAR*	Annually	N/A	50%	
72	130(b)	% of countries with an annual UN Country Results Report	RCAR*		N/A	71.4% (2014)	
73	138	% of programme countries that considered adopting Delivering as One that were satisfied with information provided to them by the RC/ UNCT to enabling them to take an informed decision on Delivering as One	DESA programme country survey	Every two years	N/A	78%	
74	141	# of RCs/[77] UNCT members who state that in regard to DaO they have received effective support from headquarters	Coordination support survey	Annually	N/A	53%	
75a	137	UNDG approved HQ Plan of Action to address challenges and bottlenecks, in particular at the headquarters level, which prevent the Delivering as One countries from fully utilizing the efficiency gains from the delivery as one approach	DOCO	One time	N/A	Completed	
75b		UNDG implemented HQ Plan of Action to address Challenges and bottlenecks, in particular at the headquarters level, which prevent the Delivering as One countries from fully utilizing the efficiency gains from the delivery as one approach		Annually (starting in 2015)	N/A	Ongoing	
76	143 and E/RES/2014/5	Options for the review and approval of the common country programme documents of the "Delivering as one" countries presented to ECOSOC in 2014	Jointly by UNDP, UNICEF, UNFPA and UN-Women	One time (in 2014)	No	No[78]	
IV.D. Regional Dimensions							
77	146 147	# of joint RCM/R-UNDG regional common positions (papers) to advocate on key development issues	RCM/R-UNDG work plans and reports	Annually	N/A	15[79]	
78	148 149	% of UNCT members that 'strongly agree' with the statement that the regional Peer Support Group provides value-added to the formulation of the UNDAF.	Coordination support survey	Annually	N/A	5%[80]	
79	146-150	% of UNCT members stating that RCMs provides effective support on highest priority regional/sub-regional issues of relevance to the country.	Coordination support survey	Annually	N/A	53%	

[77] The UNDG Coordination Support Survey did not ask the question of RCs separately. They were grouped with all other UNCT members. Therefore data on RC responses cannot be provided

[78] however, a joint UNDP-UNFPA-UNICEF-WFP informal consultation was held in September 2014

[79] As per information received from R-UNDGs in Arab States [1], Latin America & Caribbean [4], Asia/Pacific [5], Africa [0], Europe & Central Asia [5]:

[80] Please note that 58% "agree" to this statement [as opposed to "strongly agree", which is 5%]

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
80	146-150	% of UNCT members stating that regional UNDG provides effective support on the highest priority regional/sub-regional issues of relevance to the country	Coordination support survey	Annually	N/A	50%	
81	146-150	% of UNCT members stating that regional commissions provide effective support on the highest priority regional/sub-regional issues of relevance to the country	Coordination support survey	Annually	N/A	42%	
IV.E. Simplification and Harmonization of Business Processes							
82	161	UNDG strategy developed by end of 2013 to support the establishment of common premises in programme countries that wish to adopt them	UNDG reporting (TTCP)	One time (2014)	No	No	
83	152	Plan for consolidated common support services[81] at country level submitted to governing bodies in 2014, including in the areas of financial management, human resources, procurement, ICT and other services	DESA UN-HQ survey	Annually until done	No	No	
84	155	Plan for the system wide harmonization of regulations and rules, policies and procedures in all functional areas of business operations presented by the HLCM and UNDG for review by ECOSOC by end of 2014	UNDG/HLCM to report	Annually until done	No	No	
85	159	Proposal on the common definition of operating costs and a common and (standardized) system of cost control presented in 2014	HLCM/UNDG[82]	Annually until done	No	No	
86	156	% of countries with 25 or more per cent of the annual UN financed procurement volume done by the government	OMT survey (TBC)	Every two years	N/A	21.8%	
87a	160	Report on feasibility study for establishing interoperability of ERP systems undertaken	HLCM reporting	One time (year TBC)	No	No	
87b	160	Report on progress to achieve full interoperability of ERPs in 2016	HCLM reporting	One time (2016)	No	N/A[83]	
88a		# of countries implementing common services			N/A	N/A[84]	
88b	152, 154	# of countries implementing common LTAs	RCAR*	Annually			
88c		# of countries implementing harmonized approach to					

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[81] Word "services" added

[82] Source has changed to HLCM/UNDG from "DESA desk review of agency annual reports, supplemented by DESA UN-HQ survey as needed".

[83] Study under way

[84] Data for indicators 88a through 88f will be available in the next report, through the new UNDG – RCAR system.

#	OP	Indicator	Source/ Collection method	Frequency	Previous Report	Current Report	
		procurement					
88d		# of countries implementing common HR management					
88e		# of countries implementing ICT services					
88f		# of countries implementing financial management services					
89	64, 152	% of countries that are fully HACT-compliant	HACT Advisory committee & RCAR	Annually	N/A	N/A[85]	
90	153	# of UN entities that presented plans to their governing bodies for intra agency rationalization of business operations by the end of 2013.	DESA desk review of agency annual reports	One time (2014)	N/A	7 (46%)	
IV.F. Results-Based Management							
91	171	% of non-DaO UNCTs producing annual results reports	RCAR*	Annually		46%	
92	166 168	# of UN entities using common RBM tools and principles as identified in the UNDG RBM handbook	DESA desk review of agency annual reports supplemented by DESA UN HQ survey	Every two years	N/A	15 (68%)	
93	170	# of UN entities that have prepared clear and robust results frameworks for strategic plans for implementation in 2014	DESA desk review of agency strategic plans	One time (2014)	N/A	15 (71%)	
94	172	Results-based management and system-wide results reporting across UN system reviewed by 2016	JIU	One time (2016)	No	No	
95a iii	166	Average % share of total personnel at country level dedicated to RBM and M&E.	TBC	TBC	N/A	N/A	
95b		Average % share of total personnel in the HQ-level office dedicated to RBM and M&E					
IV.G. Evaluation of Operational Activities for Development							
96	173	# of entities that have an evaluation tracking system that includes the status of implementation of evaluations and management responses.	DESA UN-HQ survey	Every two years	N/A	18 (95%)	
97	181	Policy for Independent system-wide evaluation developed and proposal for pilot system-wide evaluation submitted for discussion at ECOSOC in 2013.	JIU on behalf of ICM[iv]	One time (2013)	No	Yes	
98	175	% of programme countries that 'strongly agree' that the UN has contributed to the strengthening of national evaluation capacities.	DESA programme country survey	Every two years	N/A	15.7%	
99	182	% of UNDAF evaluations for which management response was prepared (from UNDAF group)	RCAR*	Annually	N/A	47.9%	

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[85] The concept of 'HACT-compliant country' has been discontinued. A revised indicator will be developed in 2015.

NOTES

*Where the RCAR (Resident Coordinator Annual Report) is identified as a data source, a DESA-led RC Survey complemented by Section2 of the UNDG Coordination Support Survey will be substituted as the data source in 2014 since data provided by the RCAR may not be available in time.
** Source has changed to DESA HQ survey from DESA desk review of agency strategic plans, as the latter has not proved feasible in practice for all UN entities
[i] In the context of this framework, and while recognizing it is a UN entity which is neither a fund nor a programme, UN-Women is classified under 'UN funds and programmes'.
[ii] There remain 2 indicators, 67b and 95, for which the data source is still to be confirmed. Indicator #67b was developed at a time when it was expected that a harmonized definition of "in kind" contribution to the RC system would be decided on in the near future. At the time of completing the Task Team's work, there was no system-wide agreement on methodology for this indicator. Therefore the indicator itself will need to be revisited once the UNDG discusses and agrees on methodology. In addition, some Task Team members felt indicator #95 on per cent of personnel dedicated to RBM and M&E at the HQ and country levels was either unmeasurable or very difficult to estimate. Further work is on-going to determine whether this indicator needs to be reformulated in such a way to keep transaction costs to a minimum.
[iii] Ibid.
[iv] Correction to a mistake [previously stated "ECOSOC Report"]