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**Secretary-General's High-level Panel on UN System-wide Coherence
in the Areas of Development, Humanitarian Assistance, and the Environment**

**First meeting of the Secretary-General's High-level Panel
on UN System-wide Coherence in the Areas of Development, Humanitarian
Assistance, and the Environment
4-6 April 2006, UNHQ, New York**

Timetable

Tuesday, 4 April 2006

19.30-21.30: Dinner

Venue: Millennium UN Plaza Hotel

- Welcoming Remarks by Mark Malloch Brown
 - Introductory Statements by Co-Chairs
 - H.E. Mr. Jens Stoltenberg, Prime Minister of Norway
 - H.E. Mrs. Luísa Dias Diogo, Prime Minister of the Republic of Mozambique
 - H.E. Mr. Shaukat Aziz, Prime Minister of the Islamic Republic of Pakistan
 - General discussion
- 21.00: Presentation on Millennium Development Goals indicators

Wednesday, 5 April 2006

9.00-13.00: Opening Session

Venue: Conference Room 8

- Welcoming Remarks by Secretary-General
- Presentation on Problematique by Mark Malloch Brown
- General discussion on scope and orientation of Panel's work and expected outcome
- General conclusions

13.15-14.45: Luncheon for Panel

Venue: Delegates Dining Room 5-8

15.00-18.00: Session 2 – Conceptual Framework**Venue: Conference Room 8**

Issue: Discussion on concept note (framing the work of the Panel)

- General orientation
- Expectations
- Specific areas of concentration

Evening: Free

Thursday, 6 April 2006**9.30-13.30: Session 3 - The Way Forward****Venue: Conference Room 8**

- Consultative Process
- Research Agenda
- Indication of interest/responsibilities of inter-sessional work
- CEB/GA briefings

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**Terms of Reference for New Study on United Nations
System-Wide Coherence in the Areas of Development,
Humanitarian Assistance, and the Environment**

Background

The Outcome Document adopted by global leaders at the 2005 World Summit in New York calls for much stronger system-wide coherence across the various development-related agencies, funds and programmes of the United Nations. In addition to supporting current, ongoing reforms at building a more effective, coherent and better-performing UN country presence, it specifically invites the Secretary-General to "launch work to further strengthen the management and coordination of United Nations operational activities." The Outcome Document calls for such work to be focused on ensuring the UN maximizes its contribution to achieving internationally agreed development goals, including the Millennium Development Goals, including proposals for "more tightly managed entities" in the field of the environment, humanitarian assistance and development.

The Secretary-General intends to commission a small panel, supported by Mr. Adnan Amin (UNEP) as Executive Director and appropriate research and analytical capacity from inside and outside the UN system, to develop concrete and comprehensive analysis and recommendations in this regard. The Secretary-General is determined to ensure that while this work is underway, existing reform initiatives endorsed by the Outcome Document, including those for a strengthened role for Special Representatives of the Secretary-General and Resident Co-ordinators, and the strengthening of the UN Country Team through a common management programming and monitoring framework should continue. The Secretary-General considers that the outcome of this exercise would provide an important complement to the on-going reform deliberations in the General Assembly.

Timeline

The panel will seek to consult on interim basis with the UN Chief Executives Board at its meeting in April 2006. This would allow for further consultation with member states at ECOSOC in July 2006 and for the full study to be completed by the next session of the United Nations General Assembly to allow for embarking on possible implementation in 2007.

Scope

As set out in the Outcome Document, the three elements of the study will need to have slightly different scope:

In the field of **Humanitarian Assistance** significant progress has already been made in recent years in providing more coordinated response to emergencies at country level. The Outcome Document also commits the GA to the strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations and separate follow-up work is already underway in this regard. However, the growing scale and scope of disasters, particularly natural disasters, underlines the importance of improving the timeliness and predictability of humanitarian funding, in part by improving the Central Emergency Response Fund. In part through a thorough evaluation of lessons learned from recent experience. This part of the study will also need to focus on ways of developing and improving mechanisms for the use of emergency standby capacities for a timely response to humanitarian emergencies.

In the field of **Environmental Activities** two separate issues need to be addressed. First in the normative area, is a full assessment of how the United Nations can best provide more comprehensive and coherent management and monitoring of the growing range of multilateral environmental agreements. This should include the development of stronger scientific and analytic capacity in monitoring, assessing and reporting on critical environmental trends. Second is the need for better integration of the environmental perspective within the broad principle of sustainable development in UN country-level activities and in particular capacity building and technology support undertaken by the entire UN system. The GA may launch its own deliberations on the issue of international environmental governance issues in early 2006 and it would be important to ensure these efforts are complementary.

In **Development**, despite wide-ranging reforms over the past five years strengthening the role of the Resident Co-ordinator and the UN Country Team, developing and donor countries alike remain concerned that overall UN's development impact at country-level remains overly fragmented and supply-driven. The Outcome document commits all countries to map out their own national strategies to meet the international conference goals including the Millennium Development Goals. In this context, the study will need to analyse how the UN system as a whole can be better re-oriented to provide more efficient, coherent demand-driven support to national partners by building on its core normative, technical assistance and capacity building strengths to partner with the longer-term financing and other support brought by the World Bank and other international partners. In this regard, it will be particularly important to consider how to strengthen linkages between the normative work and the operational activities of the system. It will also need to examine how this work can support and complement the wider role the Outcome Document envisages for ECOSOC in ensuring follow-up and assessing progress of the outcomes of the major United Nations conferences and summits, including the internationally agreed development goals; and playing a major

role in the overall coordination of funds, programmes and agencies, ensuring coherence among them and avoiding duplication of mandates and activities.

In all three areas, the study will need to encompass both organizational and funding issues, ranging from the duplication and overlap of work products across UN agencies, funds and programmes to prospects for joint, multi-year funding and programming arrangements. The broad issue of more predictable financing of the UN system – from the CAP process to the growth in non-core funding of Funds and Programmes to the appropriate role of assessed contributions -- and its impact on existing systems and proposed reform will need to be a central element.

The overarching aim of the study is to seek recommendations on a process of rationalization that will maximize the available resources for relief and development programmes in the UN system while minimizing overhead and administrative costs. As such, the study will need to explore ways of fully exploiting synergies between the normative and analytical institutions and departments of the UN, such as DESA and UNCTAD, and operational agencies. It will also need to address how the UN system works and can best exercise its comparative advantages with international partners, including the Bretton Woods Institutions, the European Commission and other regional actors, donors, civil society and the private sector. While the primary focus will be on increasing impact at the country level, in making concrete proposals for improved management, coordination and effectiveness, it will need to make findings with regard to work both at UN headquarters, regional and country level.

In terms of recommendations, the study should seek to identify a short, medium and longer-term vision and benchmarks, thus laying a platform for an actionable plan of implementation rather than open-ended proposals. Change may need to occur in phases, with first initial proposals for rationalization of the current system without major structural changes; then proposals for preliminary restructuring of the current system to minimize duplication and overlap; and finally recommendations for comprehensive revitalization and restructuring of the UN operational role in environment, humanitarian and development work,

Consultation

The Outcome Document separately calls for greater coordination between the governing boards of various operational agencies so as to ensure a more coherent policy in assigning mandates and allocating resources throughout the system. In this spirit – and to ensure wide acceptance and subsequent implementation of the findings -- it will be essential for the panel to consult widely with all stakeholders, including the management and Governing Boards of relevant agencies, funds and programmes, prior to submission of their final report to the Secretary-General.

UNITED NATIONS



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Members

1. **H.E. Mr. Shaukat Aziz, Pakistan** (Co-Chair)
Prime Minister, Pakistan
2. **Rt. Hon. Gordon Brown, MP, UK**
Chancellor of the Exchequer
3. **H.E. Mrs. Luisa Dias Diogo, Mozambique** (Co-Chair)
Prime Minister, Mozambique
4. **Mr. Mohamed T. El-Ashry, Egypt**
Senior Fellow, United Nations Foundation
Former Chairman and CEO of the Global Environment Facility (GEF)
5. **Mr. Robert Greenhill, Canada**
President of the Canadian International Development Agency
Deputy Minister, International Cooperation, Canada
6. **Ms. Ruth Jacoby, Sweden**
Director-General for Development Cooperation, MFA Sweden
7. **H.E. Mr. Ricardo Lagos Escobar, Chile**
Former President of the Republic of Chile
8. **Mr. Louis Michel, Belgium**
European Commissioner for Development and Humanitarian Aid
9. **H.E. Mr. Benjamin W. Mkapa, Tanzania**
Former President, United Republic of Tanzania
10. **Mr. Jean-Michel Severino, France**
Director General, French Development Agency
Former Vice President of the World Bank East Asia and the Pacific
11. **Ms. Josette S. Shiner, USA**
Under Secretary for Economic, Business and Agricultural Affairs
US Department of State
12. **H.E. Mr. Jens Stoltenberg, Norway** (Co-Chair)
Prime Minister, Norway
13. **Mr. Keizo Takemi, Japan**
Member of the House of Councillors, Liberal Democratic Party
Former State Secretary for Foreign Affairs of Japan

Ex Officio Members

1. **Mr. Kemal Derviş, Turkey**
Administrator of the United Nations Development Programme (UNDP)
Former Turkish Finance Minister
2. **Mr. Lennart Båge, Sweden**
President of the International Fund for Agricultural Development (IFAD)

Secretariat

1. **Mr. Adnan Amin, Kenya**
Executive Director, High-level Panel on "System-wide Coherence in the
Areas of Humanitarian Assistance, the Environment and Development"
Director, New York Office of the United Nations Environment Programme (UNEP)
2. **Mr. Moustapha Soumaré, Mali, Research Director**
UN Resident Coordinator
Kigali, Rwanda
3. **Mr. Koen Davidse, Netherlands, Research Director**
Deputy Director, Human Rights, Humanitarian Aid and Peacebuilding
Netherlands Ministry of Foreign Affairs

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Proposal: Consultative Process

Introduction

There is a very high-level of expectation and interest with regard to the outcome of the work of the High-Level Panel on System-Wide Coherence. In order to ensure that the Panel's deliberations are informed by a balanced range of perspectives, it will be essential to undertake a wide-ranging, but focused consultative process, in accordance with the scope of the study outlined in the Panel's terms of reference. An inclusive consultative process will be important not only to enrich the work of the Panel but also to ensure the engagement and commitment of the necessary stakeholders, a fundamental step to developing relevant and realistic recommendations and making sure that the Panel's work will lead to genuine reform.

The consultative process with Member-States has already begun, with a luncheon co-hosted by Pakistan and the United Kingdom, and a retreat hosted by France and Egypt. Both enjoyed a very high-level of engagement and generated interesting perspectives that will feed into the work of the Panel. The retreat addressed issues ranging from financing to organizational structures.

From the UN system perspective, the UN's High-Level Committee on Programmes (HLCP) and the High-Level Committee on Management (HLCM) held a joint meeting in February which focused on the work entrusted to the Panel. The organizations of the UN system were encouraged to be engaged in the Panel's work and provide concrete inputs. They were assured that the Panel would be sensitive to its responsibility to build on the system's own perspective and aspirations, and it was underscored that the inclusion of the Chairs of HLCP and the UN Development Group (UNDG) as ex-officio members was meant to advance that objective.

There is an expectation from both Member States and the UN system that these consultations will continue and deepen as the Panel addresses specific issues.

The periods between the Panel's meetings will be utilized to undertake the consultative process, as well as commission relevant studies. Consultations will draw upon appropriate research and analytical capacity from inside and outside the UN system, and enable contacts with: the UN system, relevant inter-governmental fora, Member States, international financial institutions, academic institutions, and appropriate civil society organizations. The content and structure of these consultations will need to be considered, and responsibilities with regard to specific issues assigned to different Panel members.

Consultative Process

Certain consultations have already been programmed, namely:

- 6 April, UNHQ: Some Panel members to brief and interact with UN General Assembly
- 8 April, Madrid: Some Panel members to participate in UN System Chief Executives Board for Coordination (CEB) Retreat (starting with dinner on 7 April)
- 4 July, Geneva: Some Panel members to attend consultations at the High-Level Segment of the Economic and Social Council (ECOSOC).

Other consultations that are envisaged include:

Country visits:

Visits by some Panel members to a select number of Programme countries to analyze challenges to a coherent and effective UN at country level, identify good practices, assess the country level aspects of the issues to be addressed by the panel, and solicit beneficiaries' and partners' views on the coherence of the UN at country level. Country visits will be used to meet with UN Country Teams, resident coordinators, UN field staff, Government ministries, as well as other actors, such as donors, regional organizations and local civil society organization representatives.

The intention is to visit a range of countries, balanced geographically and with regard to the differences in development challenges faced (Least Developed, Middle Income, Post Conflict). The following countries could be possibilities for further study by the panel, as being representative of the challenges for different categories of countries: Afghanistan, Guyana, India, Mozambique, Rwanda, Sierra Leone, and Tajikistan.

Member States:

Building on the consultations that have already been held in New York in February, and the upcoming briefing organized by the President of the General Assembly, as well as the meeting with the High-Level Segment of ECOSOC, it is proposed that meetings be organized with groups on Member States, both in regional groupings and 'twining' sets of donor and recipient countries. Member-State consultations will also continue to be held on a bilateral basis, and in the margins of other meetings and field visits.

UN System:

Buildings on the consultations that were undertaken with HLCP and HLCM in February, and the upcoming consultations during the CEB Retreat in Madrid (7-8 April), the following meetings are foreseen:

- UN specialized agencies in Geneva, as well as humanitarian organizations (IASC);
- Food and agricultural agencies in Rome;
- Bretton Woods Institutions in Washington D.C.;
- Regional commissions and Regional Development Banks;
- UN funds and programmes;
- Briefings/meetings will also continue to be held on an individual bilateral basis.

Workshops/Hearings on specific issues:

Depending on the nature of the issue, it is proposed that select academic and civil society organizations to be invited to participate in certain small workshops or wider hearings.

Key issues that would merit discussion in workshops with experts include:

- The system of financing the UN's development activities;
- The functioning of the Resident Coordinator System;
- Transition from relief to development;
- National development frameworks and UN and donor support (PRSP, UNDAF, Joint Assistance Strategies);
- Role of the UN in strengthening national institutions and building capacity for development;
- Linking the normative and operational, including the role of non-resident agencies.

Key issues that merit hearings:

- Gender mainstreaming;
- Humanitarian action (possibly with IASC, Geneva);
- Environment (including mainstreaming);
- Health, including HIV-AIDS (Geneva).

These events would be prepared through for instance issues notes. Other avenues for consultations on specific issues will also be explored, such as on-line fora.

With agreement of the panel, the secretariat will develop an implementation programme, including issues notes to frame discussions and proposals for participation of Panel members.

UNITED NATIONS



NATIONS UNIES

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Programme of Work

Background:

The Outcome Document adopted by global leaders at the 2005 World Summit in New York in September 2005 calls for much stronger system-wide coherence across the various development related agencies, fund and programmes of the United Nations. It specifically invites the Secretary-General to "launch work to further strengthen the management and coordination of United Nations operational activities". The Outcome Document calls for such work to be focused on ensuring the UN maximizes its contribution to achieving internationally agreed development goals, including the Millennium Development Goals, including proposals for "more tightly managed entities" in the fields of the environment, humanitarian assistance and development.

In order to respond to this call for enhanced system-wide coherence, and develop concrete and comprehensive analysis and recommendations which are expected to lay the groundwork for a fundamental restructuring of the UN's operational work, the Secretary-General has established a 15-member High-Level Panel. The Panel is comprised of 13 eminent and experienced international figures, and two ex-officio members. The panel will be co-chaired by Prime Ministers Shaukat Aziz of Pakistan, Jens Stoltenberg of Norway and Luisa Dias Diogo of Mozambique. Two members of the Panel, Ruth Jacoby and Mohamed T. El-Ashry, have offered to free themselves to be able to devote at least half their time to help the co-chairs to drive the work of the Panel. The work of the Panel will be supported by a small Secretariat based in New York.

Programme of Work

Envisaged schedule of meetings of the Panel:

- 5-6 April, New York: 1st meeting of the Panel (*dinner on 4 April*)
- 6 April, UNHQ: Some Panel members to brief and interact with UN General Assembly
- 8 April, Madrid: Some Panel members to participate in UN System Chief Executives Board for Coordination (CEB) Retreat (*dinner on 7 April*)
- Late May: 2nd meeting of the Panel
- 4 July, 2.30-4.30pm, Geneva: Some Panel members to attend consultations at ECOSOC High-Level Segment (50-60 Ministers expected + Heads of UN Agencies)
- Late July: 3rd meeting of the Panel
- August/September: 4th meeting of the Panel (if required) – finalization of study.

In order for the Panel to get an early start on its work, and to ensure that its deliberations are informed by a balanced range of sound expert perspectives, it will be important to commission research, as identified by the Panel.

It will also be essential to undertake a wide-ranging, but focused consultative process, in accordance with the scope of the study outlined in the Panel's terms of reference. Consultations, which will draw upon appropriate research and analytical capacity from inside and outside the UN system, and which will enable contacts with: the UN system (including permanent representatives), relevant inter-governmental fora, Member States, international financial institutions, academic institutions, and appropriate non-governmental organizations, are expected to include:

- Visits by some Panel members to a select number of Programme countries to assess the effectiveness of the UN development activities at the country-level, including the functioning of the Resident Coordinator system.
- A number of small workshops/consultations on key issues, for example: the system of financing the UN's development activities; the link between the development, environment and humanitarian work of the UN; and the functioning of the Resident Coordinator System.
- Hearings on specific issues with key stakeholders.

Secretariat

The Secretariat which will service the Panel will be responsible for supporting and managing the work of the Panel, both substantively and organizational, including:

- Planning and organizing the consultative process
- Drafting/compiling background materials
- Providing Panel members with information and analysis as requested and required
- Managing contacts between the Panel members, as well as with relevant outside experts or group of experts which may be called upon to assist the Panel in its work
- Organizing consultations/workshops/seminars/hearings as required
- Organizing proposed Panel visits to programme countries
- Ensuring that the consultative process and its outcome take fully into account the on-going reform deliberations in the General Assembly
- Assisting the Panel in drafting its conclusions and recommendations
- Undertaking the necessary administrative and logistical measures to support the work of the Panel and the functioning of the Secretariat.

The Secretariat will be composed of:

- Mr. Adnan Amin, Kenya
Executive Director
- Mr. Moustapha Soumaré, Mali
Research Director
- Mr. Koen Davidse, Netherlands
Research Director
- Senior Officer
- Two Programme Officers

UNITED NATIONS



NATIONS UNIES

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Concept Paper

Introduction

The World Summit of 2005 saw an unprecedented level of participation of Heads of State and Government of Member States of the United Nations (UN). The Outcome Document adopted by global leaders addressed the major issues facing the international community. In particular it put emphasis on their commitment to the UN as a universal multilateral framework and reaffirmed that development is a central goal by itself and that sustainable development, in its economic, social and environmental aspects, constitutes a key element of the overarching framework of UN activities. World leaders also reaffirmed the role of the goals of the Millennium Declaration and the internationally agreed goals of the UN conferences and summits in guiding the work of the UN in the economic, social and related fields.

In recognising the importance of equipping the UN with the capacity to respond to these expectations, the Outcome Document invited the Secretary-General to launch further work to ensure that the UN maximises its contribution to achieving these internationally agreed goals, including developing proposals for more "tightly managed entities" in the field of environment, humanitarian assistance and development.

The establishment of the Secretary-General's High-Level Panel comes amid increasing demands from all Member States for a substantially strengthened, efficient and effective role for the UN in international development cooperation at all levels. The Panel will be expected to develop a comprehensive set of proposals and recommendations to guide the UN into a new era in which it can effectively leverage its unique legitimacy and role in realising the ambitions contained in the Millennium Development Goals. This comes at a time when clearly articulated needs and expectations are combining to create an environment of high expectation. Some countries have even characterised this exercise as a 'chance in a generation'.

I. Background/Context: where are we?

- i) New context for the UN's role in development, environment and humanitarian assistance:** The UN today faces unique new challenges in a substantially different international environment that poses the need for a fundamental reconsideration of its development, humanitarian and environment framework.

The advent of globalisation, characterised by rapid economic change, unfettered flows of capital, trade liberalisation, and the emergence of new poles of economic growth; counter-posed against persistent poverty, devastating communicable diseases, environmental and resource degradation and humanitarian crises of increasing dimensions, raises the need for a coherent and effective role for the UN system in a more pressing way than ever before.

- a. **Goals:** There is a high level of international consensus at the highest level on the goals and norms: the Millennium Development Goals (MDGs) and the other internationally agreed development goals of the UN conferences and summits (including Monterrey, Johannesburg, and the 2005 World Summit) provide the overarching context for the work of the UN in social and economic areas.
 - b. **Country ownership:** There is consensus on the central importance of country ownership and support for nationally owned development strategies as providing the national framework of the UN's development operations. There are varied demands from countries on the UN system in terms of capacity building. Need to rationalize demands on countries in terms of (often overlapping) national strategies. Need for UN system relevance for the whole membership and therefore to different countries with different needs: Least Developed Countries (LDCs), Middle Income Countries (MICs) and post conflict countries. The UN also has to relate to industrialized countries as donors and as partners on global issues.
 - c. **Aid volume and quality:** prospect of increasing Official Development Assistance (ODA) and the need to reposition the UN system in line with new expectations of both donor and recipient countries. Increasing emphasis on mutual accountability of development partners and reliance on new aid modalities such as budget support and Sector Wide Approaches (SWAPs), Paris Declaration on Aid Effectiveness, changing nature of capacity building and technical assistance.
 - d. **Actors:** additional actors, including at field level (bilateral, IFIs/World Bank – IDA resources dwarfing UN's, NGOs, global funds, and regional actors).
- ii) **Challenges for the UN system:** While the UN continues to retain a complex structure that addresses a large number of development issues, there is a clearly emerging consensus that constrained financing, complex managerial structures, lack of coherence in policy and operational activities and institutional fragmentation have combined to severely restrict the ability of the UN system to play a substantially stronger role in supporting Member States to achieve the internationally agreed goals, including the Millennium Development Goals.

Fundamental change is required to capitalise on new opportunities in the international environment and once again establish the UN as an effective force to support development.

- a. **Complications related to funding:** there is a lack of predictable funding and competition over donor resources: funding for the UN often has not kept pace with the tasks or has been unpredictable. Also, competition for donor funding results in overlap and distortion of core functions. The funding modalities, particularly of non-core resources, can be detrimental to coherence.
- b. **Lack of coherence and effectiveness:** the UN has for decades been entrusted with ever increasing functions and mandates, resulting in a very complex structure, including at country level, with many organizations active and with significant overlaps. Ongoing reforms are frequently perceived as not being sufficient to address the UN's fragmentation and loss of policy and operational coherence.

- c. **Different governance structures:** the fragmentation of governance structures of the various elements of the UN system makes a unified, coherent UN response difficult and thus complicates the UN's role in supporting countries with the implementation of their development strategies. There is a need for a more coherent governance structure.
- iii) **On-Going Reform Efforts:** the Panel will need to formulate, and consider the feasibility of its recommendations, in the context of ongoing reform processes. Some relevant highlights:
- a. **Development:**
- Follow-up process Summit in the General Assembly (GA), ECOSOC reform.
 - Ongoing UN Development Group (UNDG) process: common country presence, results-based common UN Country Programming Process, strengthening of the Resident Coordinator System, integration of non-resident agencies expertise in operational activities.
 - Peace-building Commission, Peace Building Support Office and peace building support Trust Fund; post conflict situations have led to greater UN inter-agency cooperation, greater cooperation with World Bank.
 - Country coverage and location of regional hubs of some operational agencies.
- b. **Humanitarian:**
- Central Emergency Response Fund (CERF): to improve the timeliness and predictability of humanitarian funding and to ensure a more rapid, effective and equitable international response to today's humanitarian crises. In December, CERF was transformed to the E-CERF a sizeable grant element was added.
 - System of clusters with sectoral/thematic leadership by agencies was introduced.
- c. **Environment:**
- GA informal working group to meet in April to address the institutional framework for the UN's environment work. Background paper issued by the GA President in January. The working group will start by looking at the scientific assessments and the status of the institutional debate to provide the substantive basis for discussion at the inter-governmental level.

II. Focus of the Study: what the Panel will attempt to address

The focus should be on the UN's system of development cooperation (how it is functioning and how it should be organized), addressing environment with a view to mainstreaming it into the overall development cooperation activities of the UN (without creating additional layers), and addressing humanitarian assistance with a view to ensuring an effective interface with development (and environment) activities, with particular attention to the transition from relief to development. The overall aim is to develop a realizable vision of how the UN system should be structured to address the challenges posed by the new international context in the long term (10 years), and what measures should be taken in the medium term (5 years) and short term (2 years) to accomplish this vision.

Recommendations should seek to address the architecture of the UN system, including with regard to how the UN interfaces with the rest of the development system - Bretton-Woods Institutions, regional development banks, bilateral aid flows, global funds and NGOs.

The panel will address the role and comparative advantage of the UN (which normative, analytical and operational tasks are unique to the UN, like standard setting and coordinating humanitarian assistance, and which are shared with other actors?) and its products (standards and monitoring, capacity building, commodities, development finance). Which parts of the system should perform which roles? The capacity to combine analytical and normative functions with operational mandates is a major comparative advantage of the UN system. The unique legitimacy of the UN system derives from its universality and neutrality, which provides the rationale for its future role. On this basis the aim is recommendations on a process of rationalizations that will maximize the available resources for relief and development programmes in the UN System, while minimizing administrative and overhead costs.

The panel may address the concept of 'tightly managed entities', as mentioned in the Summit Outcome document. Potential approaches could include: a) realigning into three pillars of activities (functionally clear while allowing for cross-linkages); b) having three polarities around which a reformed structure could be clustered; c) having three central issue areas within which better management is needed.

i) Cross cutting issues:

- Strengthening linkages between the UN's normative and analytical system and its operational activities.
- Ensuring that the main horizontal policy themes, such as sustainable development, environment, natural resources and human rights and gender, are taken into account in decision-making. What can be done to further mainstream these issues?
- Strengthening of the UN's ability to support the development of institutional and governance capacity in recipient countries.
- Ensuring coherence between development and humanitarian parts throughout the system, so that there will be no gap between assistance in the relief and development phases.
- What can be said about the effectiveness of the humanitarian cluster approach? Does it contain lessons for development?

ii) Development:

- What are the major challenges to the role of the UN at the country level, as well as at the global level?
- What are its comparative advantages in this field?
- How can the concept of 'one team, one leader and one programme', in response to a country-led strategy, be supported by changes at the Headquarter, regional and field levels, including through funding mechanisms (also relevant to environment and humanitarian affairs)?

iii) Environment:

- Mainstreaming environment in development decision-making: how can environment best be managed within the context of UN system country operations?
- What institutional framework is needed for the UN system's environmental activities, both at the country and the global level? How to reduce fragmentation and loss of coherence and enhance effectiveness?
- Ensuring that global issues are adequately addressed by the UN system (i.e. climate change).

iv) Humanitarian:

- There has already been considerable progress in coordination and coherence of the humanitarian system. Are any additional measures needed?
- The panel should focus in particular on the transition from relief to development and the relationship between humanitarian and development coordination in general.

III. Key Issues: financing, governance, effectiveness and coherence**i) Financing of UN Development activities**

A major determinant of the ability of the organizations of the UN system to effectively carrying out their activities at the country level is the nature of the funding of the multilateral system, and the availability of adequate and predictable resources to match existing mandates.

- Current structure and trends in development financing both of UN activities, as well as of other actors: Who are the main actors at country level? What funding role do different actors have in terms of capacity building, commodities or budget support? What is the role of core versus non-core and assessed versus voluntary contributions to organizations?
- How can financial flows and services that are provided through different channels contribute to a coherent programme at country level, be responsive to the needs of countries, as set out in nationally owned development strategies? What measures should be taken at country level and HQ level, including possible integration of organizations or functions in line with the 'tightly managed entities' thinking?
- What are impediments to securing predictable adequate and sustainable financing, what are the needs based on UN's role and comparative advantage?
- What lessons can be drawn from multi-donor trust funds in post- conflict situations?
- How should we conceive a new system of financing UN activities at Headquarter and field levels, as well as a more effective and transparent system of accountability?
- How can financing from other sources be found to complement resources form governments for development?

ii) Coherence and effectiveness of the UN system

a. Coherence between normative, analytical, policy work and operations

How can the linkages between the normative work of the UN system and its operational activities be strengthened?

- Extent to which the normative and policy work is reflected in operations at the country-level and possible approaches for improvement.
- How can the normative and analytical expertise of specialized agencies and non-resident agencies best be articulated into the country level planning and programming processes?
- How to strengthen coherence on the ground without losing the technical strength of the specialized agencies?
- Examining the regional dimension of the UN system, including the role of regional commissions and regional offices of the UN's funds, programmes and agencies.
- Effective mainstreaming of environment, human rights and gender.
- How to strengthen and rationalize a coherent analytical and normative framework system wide and within that, to develop concrete approaches to addressing global policy issues.

b. Coordination for impact at the field level, including the Resident/Humanitarian Coordinator System, and the linking of humanitarian, post-conflict recovery, development and environment activities

- What is the state of country-level coherence and coordination arrangements (resident coordinator system, CCA/UNDAF, consolidated/joint programmes, pooling of resources, etc) and how can they be further enhanced in order to promote a much more unified system presence at country level in order to best serve country needs?
- How can greater support be leveraged for responding to humanitarian crises and to transitional needs?
- How can the linkages between humanitarian, development and environment issues be improved?

c. Reforming support services for development

Greater integration within country teams to achieve a higher level of programme coherence requires addressing administrative processes and practices within the UN system, and greater integration of administrative and support services in order to provide the best support for country teams and programmes, and the best response on global issues.

- Should there be a greater integration of organizations or functions in line with the 'tightly managed entities' model, in order to enhance support to countries?
- How could administrative systems (finance, budgeting, procurement, recruitment processes, IT) be harmonized?

- Which barriers to information sharing and knowledge management should be addressed, including addressing the cultural dimension of how to work together?
- Removing barriers which create disincentives for movements of UN staff between UN entities (funds, programmes, specialized agencies, secretariat departments, peace operations, etc.)
- How can the evaluation function be strengthened in order to enhance development effectiveness?

iii) Governance of the UN system

a. Implications of the fragmented nature of inter-governmental decision-making:

- Are the current governance structures sufficient for coherence and effectiveness? There are many different governing bodies, while joint plans, programmes and analysis are increasingly used by the UN system (Common Country Assessment - CCA, UN Development Assistance Framework - UNDAF, etc). What can be the role of ECOSOC and the joint board? Relations between bureaus of Governing Bodies.
- What are the consequences of the differing legal status of secretarial departments, regional commissions, specialized agencies, funds and programmes of the UN system?
- Are the positions of governments in different inter-governmental fora sufficiently coordinated between ministries?
- Are transition issues from relief to development adequately addressed in the current governance structure?
- Does the current diffuse landscape of environmental entities allow for a comprehensive approach to addressing environmental threats?

b. Inter-Agency mechanisms:

- How efficient are the existing inter-agency mechanisms?
- The UN's Chief Executives Board for coordination (CEB) and its High Level Committee on Programmes (HLCP)/High Level Committee on Management (HLCM); reform of the inter-agency machinery and examples of modalities employed for enhancing coherence in specific thematic areas;
- Inter-agency mechanisms on development and HIV-AIDS (UNDG, UNAIDS);
- Inter-agency mechanisms on environment (including Environment Management Group - EMG);
- Inter-agency mechanisms on humanitarian assistance (ECHA and Office for the Coordination of Humanitarian Affairs - OCHA, Inter-Agency Standing Committee - IASC).
