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English only

First regular session of 2007

Geneva, 20 April 2007

# **Summary of conclusions**

### I. Introduction

- 1. The first regular session of the United Nations System Chief Executives Board for Coordination (CEB) for 2007, chaired by the Secretary-General, was held at International Labour Organization (ILO) headquarters in Geneva, on Friday, 20 April 2007.
- 2. Following the conclusion of the session, a CEB retreat was held in the evening of Friday, 20 April, and on Saturday, 21 April, in Mont Pélerin. Executive heads had an exchange of views on current developments, including in relation to Darfur and the Middle East, and on such themes as counter-terrorism, climate change and United Nations reform. At the retreat the Board also took up the review of its role and functioning, on the basis of an initial paper prepared by the Directors-General of ILO and the World Trade Organization (relevant conclusions will be covered in a separate document).
- 3. The Board expressed its appreciation to Juan Somavía, Director-General of ILO, for the excellent arrangements that he and his colleagues had made for the CEB session. The Board also requested Mr. Somavía to convey its sincere appreciation to the Swiss authorities.
- 4. The present report covers the outcome of the regular session.
- 5. On behalf of the Board, the Secretary-General welcomed Ms. Josette Sheeran, Executive Director of the World Food Programme (WFP), Dr. Margaret Chan, Director-General of the World Health Organization (WHO), and Mr. Hamadoun Touré, Secretary-General of the International Telecommunication Union (ITU), who were attending CEB for the first time. He also introduced Ms. Asha-Rose Migiro, Deputy Secretary-General of the United Nations, noting that her current portfolio encompassed many of the concerns that are high on the CEB agenda, from economic and social development to reform and system-wide coherence.



## Agenda

- 6. The agenda of the first regular session of 2007 of CEB was as follows:
  - 1. Adoption of the agenda.
  - 2. Programme issues:
    - (a) Employment and decent work;
    - (b) Aid for Trade initiatives;
    - (c) One United Nations at the country level;
    - (d) Other programme matters.
  - Management issues (including issues arising from the joint meeting of the High-level Committee on Programmes/High-level Committee on Management:
    - (a) Harmonization and reform of United Nations system business practices;
    - (b) Other management issues.
  - 4. Other matters.

### Opening of the session

The Secretary-General opened the session by thanking the Director-General of ILO and his staff for their warm hospitality and the excellent arrangements made for the session. Taking the chair of CEB for the first time, he said that he was confident that he could count on the collaboration of all executive heads in leading the United Nations in the challenging years ahead. He assured, in turn, all members of CEB of his full support in advancing their respective, important missions, emphasizing that solidarity and collaboration are not merely assets but qualities that CEB must nurture. They are, in most instances, a condition for progress: many of the challenges that the system faces, from the Millennium Development Goals to climate change to the linkages between security and economic and social progress, can be met only if the organizations of the United Nations system pool their capacities and bring them to bear in a coherent, mutually reinforcing way. In spite of the decentralized nature of the United Nations system, this was feasible if the needed political will was present. He saw CEB as the highest manifestation of this will within the system and as the main agent for forging the unity of purpose necessary for the system to deliver as one. The United Nations system, he stressed, must lead by example: by nurturing unity of purpose, CEB could help the system develop the credibility to advance it worldwide. As a visible, model partnership, the United Nations system could serve as a springboard to foster all the other partnerships, including those with Member States, other international and regional organizations, the non-governmental organizations and civil society, that the United Nations requires to succeed in its mission. The mutual trust cultivated in CEB, he concluded, would, in turn, greatly help build trust in the multilateral system.

# II. Programme issues

- 8. The Chair of the High-level Committee on Programmes (HLCP), Mr. Lennart Båge, briefed CEB on the work of the Committee at its thirteenth session, held in Castel Gandolfo, Italy, on 20 and 21 March 2007. In introducing the report of the High-level Committee, he noted that the premise guiding its work was that the organizations of the United Nations system can only fulfil their mandates and respond to the expectations of Member States by working together more intensively. With global integration come challenges such as climate change, migration and the threat of pandemics that can be tackled effectively only by a legitimate, effective and united multilateral system. The Committee had been focusing on system-wide coherence for some time: it had prepared the 2005 CEB report entitled "One United Nations", pioneering a key concept further developed by the High-level Panel on United Nations System-wide Coherence.
- 9. Against this backdrop, at its last session the High-level Committee had taken up the issue of one United Nations at the country level. Stressing the importance of respect for diversity, inclusiveness, transparency and flexibility as key principles in applying the one United Nations approach, he congratulated the administrator of the United Nations Development Programme (UNDP) and the chair of the United Nations Development Group on the progress made thus far in carrying forward the experiment in the eight pilot countries. To build on it, and to draw lessons for the future, the Committee had recommended that an independent, system-wide evaluation of the pilots be undertaken under the aegis of CEB and that the United Nations Evaluation Group be asked to provide guidance to the exercise, which needed to be properly resourced. He noted that the Evaluation Group had just concluded its annual general meeting and that it had suggested a two-tiered approach to such an evaluation. In the short term, an assessment of each pilot would be carried out; after an appropriate implementation period, a full-fledged evaluation of both process and results would be undertaken.
- 10. He also outlined the approaches that had guided the High-level Committee on Programmes in preparing, for the consideration of CEB, a toolkit for mainstreaming employment and decent work objectives in the policies and activities of United Nations organizations, noting that it was a good example of a concrete way to advance policy coherence within the United Nations system. The Committee intended to examine the potential of replicating this exercise in other areas.
- 11. Other matters covered by the Committee included a discussion of how to bring the United Nations system and CEB into more effective dialogue with Member States within the scope of the newly reformed Economic and Social Council; the development of a strong, unified policy against corruption within the United Nations system; follow-up to Committee and CEB decisions on migration; and United Nations system support to Africa. Regarding this last item, the Committee had recommended that, starting with its fall session, CEB hold periodic, thematic discussions on peace, security and development in Africa, focusing on the actions required to support African countries in meeting the Millennium Development Goals.
- 12. The Chair of the High-level Committee on Programmes also noted that the Committee had benefited from a joint session with the High-level Committee on Management. In that regard, he highlighted the proposal of the United Nations

Evaluation Group for a new system-wide evaluation mechanism, which had also been the subject of a recommendation by the High-level Panel on United Nations System-wide Coherence. The United Nations Evaluation Group had been requested to revert to the two Committees with further details on the scope, funding and governance of the proposed mechanism.

13. The High-level Committee on Programmes looked forward to guidance and support from CEB in its future work. The Committee was fully committed to enhancing inter-agency collaboration and creating new modes of operation, including more openness to outside expertise, thereby bringing added value to the work of the system.

## A. Employment and decent work

- 14. The Secretary-General noted that the initiative taken by ILO through the Committee to develop a toolkit to mainstream the objectives of full and productive employment and decent work for all in the policies and programmes of United Nations organizations was both timely and extremely significant. These objectives were of great importance to both developing and developed countries. The initiative was highly relevant to both the goal of achieving greater policy coherence and the effort to strengthen the coordination of United Nations system country-level operations.
- 15. The Director-General of ILO stressed the fact that practically every area of activity of United Nations system organizations inevitably has an impact on employment and work, and is simultaneously affected by labour market dynamics and changes in the world of work. Filling an obvious gap in the Millennium Declaration, at the 2005 World Summit Heads of State affirmed their strong support for fair globalization and resolved to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of national development strategies, including poverty reduction strategies, as part of efforts to achieve the Millennium Development Goals. This was followed by the ministerial declaration adopted by the Economic and Social Council at its substantive session of 2006, which underscored the significance of full and productive employment and decent work for all as an end in itself and as a means to achieve the Millennium Development Goals, including poverty eradication. On that occasion, Member States requested the whole multilateral system to mainstream employment and decent work objectives in its policies, programmes and activities. At its substantive session in July 2007, the Council will review progress made in this regard.
- 16. The Director-General of ILO hoped that the toolkit would be an effective response to this call. He noted that the development of the methodology used in constructing the toolkit had been a collective process led by ILO under the guidance of the High-level Committee on Programmes. The toolkit had the practical purpose of providing a means to facilitate policy coherence around a shared and common objective; such a process could well be replicated by CEB in other substantive areas.
- 17. The toolkit was conceived along the structure of the decent work agenda, which consists of four pillars: employment creation and enterprise development; social protection; standards and rights at work; and governance and social dialogue. It contains sets of questions in each of these areas for organizations to use to

determine how their strategies, policies and programmes are interlinked with employment and decent work outcomes, whether at the global, regional, country, sector or local levels, and how they may optimize employment outcomes. The toolkit could profitably be used in the United Nations Development Assistance Framework and one United Nations pilots.

18. As for the next steps, he anticipated that each CEB member would carry out its own initial self-assessment, as proposed in the toolkit, to establish a baseline to mark progress in 2010 and 2015. Initial assessments should be reported to the Highlevel Committee on Programmes in September 2007, so that CEB could provide an input to the Commission on Social Development, which would be reverting to the theme of employment and decent work at its session in February 2008. While conducting this exercise, each agency should start identifying and selecting its own knowledge-based tools, networks and good practices and post them in the interactive platform of the toolkit in order to make them available to all participating agencies. The Committee should monitor such process and report on progress in ways that will enable all agencies to provide their inputs. Although the toolkit is mainly geared to assisting agencies in better advising countries, at a second stage, the toolkit might be expanded to focus primarily on the country level. This further development will be pursued through the adaptation of the toolkit to a set of countries, for example United Nations pilot countries and other selected countries at different levels of development for which employment and decent work is a critical challenge. Finally, a concrete plan of reciprocal capacity-building should be developed, pooling the resources of the ILO Turin Centre and the United Nations System Staff College.

#### **Discussion**

- 19. The Board voiced strong support for the initiative, and expressed appreciation for the inclusive approach taken in developing the toolkit. Executive heads considered that the methodology developed for the toolkit could usefully be replicated in other areas as an integral part of the effort to advance policy coherence within the system and to find practical ways for system support to countries to show concrete benefits from such enhanced coherence. Areas mentioned for such an effort included the system's response to the challenges of globalization and urbanization. The Director-General of the World Trade Organization in particular noted that the toolkit was an excellent entry point to pursue coherence, while fully respecting the mandates of the respective organizations. In the same spirit, ILO and the World Trade Organization had published a joint study on trade and employment.
- 20. A number of speakers stressed that Millennium Development Goal 1 could not be reached without employment generation. Indeed, it was observed that for every 10 children being born only one job is being created. It was further pointed out that in 2007, for the first time, 50 per cent of people will be living in urban areas. By 2030, two thirds of the world's population will be living in urban areas, with the majority in slums and squatter settlements. Against this background, the Deputy Executive Director of United Nations Human Settlements Programme (UN-Habitat) noted that tackling urban poverty was a challenge for all, and that there was a need for United Nations system organizations to work together to forge a strategy to deliver sustainable development. She proposed that CEB take up the topic "Urbanization, poverty and international migration" in late 2007 or early 2008.

- 21. It was observed that, in order to design appropriate interventions, it was important for all parts of the United Nations system to be well versed in the policy issues that are at the core of development. For instance, ILO had provided training to resident coordinators on the decent work agenda. The wish was expressed that these senior field representatives be given training in other key policy areas as well. The United Nations Industrial Development Organization (UNIDO), in the framework of its Mano River Union youth employment initiative, had recently met with ILO and UNDP in Accra and found the toolkit relevant and applicable in that context. ILO was also consulting with UN-Habitat and the World Bank on employment in urban areas, particularly in slums. The Director-General of World Intellectual Property Organization (WIPO) suggested that such a discussion would benefit from the added contribution of the International Organization for Migration (IOM).
- 22. With respect to the various components of the decent work agenda, it was observed that the first pillar, employment creation and enterprise development, was based on the premise that employment creation could not happen in a vacuum. The representative of the International Monetary Fund (IMF) highlighted the need for a sound macroeconomic environment, conducive to employment generation. Several executive heads also referred to the contributions made by their organizations to enterprise development. It was underscored, for instance, that information and communications technology (ICT) is an important sector for generating jobs. In October, ITU would be hosting a meeting in Rwanda entitled "Connect Africa", as part of the effort to launch a Marshall Plan for Africa, for which the Secretary-General of ITU asked the support of all his CEB colleagues. ILO was also commended for recognizing, in the construction of the toolkit, the impact of education on employment outcomes, and the fact that lack of decent work is a root cause of some of the most serious problems facing the international community, including drugs, human trafficking, crime and terrorism. Finally, the relevance of the toolkit to enhancing system-wide coherence at the regional level was recognized.
- 23. Several executive heads raised specific concerns. The Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) noted that, for the last year, 165,000 people who work for the Palestinian Authority had not been receiving salaries. At present, 60 per cent of the population in the West Bank and Gaza were living below the poverty line. Although UNRWA was giving whatever help it could in providing jobs, its means were limited. She wondered how, under the circumstances, her organization could be part of this effort or of the "One United Nations" approach.
- 24. The executive director of WFP stressed the need to further develop the discussion on the issue of employment in the context of ongoing humanitarian crises.
- 25. The Director-General of WHO raised the need to pay due attention to the health and welfare of United Nations system staff, many of whom are working long hours under stressful and dangerous conditions in the field. During a recent visit to the Republic of the Congo, she had received a statement from staff in this regard. She stressed the importance of leading by example and ensuring decent working conditions within the system itself. The United Nations country team in the

Republic of the Congo was excellent and if the Government agreed, it could be a possible future pilot country.

26. CEB gave its full endorsement to the toolkit. It agreed to proceed along the steps outlined by the Director-General of ILO as set out in paragraph 18 above.

### **B.** Aid for Trade initiatives

- 27. The Director-General of the World Trade Organization, in introducing the item, indicated that the starting point for the Aid for Trade initiative was the recognition that the reduction of trade barriers alone is not sufficient to place developing countries on the path to sustainable growth. The fundamental purpose of the initiative was to increase resources for trade capacity-building in developing countries, in order to help them benefit from trade expansion. The World Trade Organization had a mandate to monitor and evaluate Aid for Trade so as to create more incentive through greater transparency in honouring commitments, meeting needs, improving effectiveness and reinforcing mutual accountability. The involvement of the system was now required as the implementation phase had begun. Monitoring would take place on three levels: (a) global monitoring based on the Organization for Economic Cooperation and Development (OECD) statistics and figures, (b) donor monitoring and self-evaluation, and (c) recipient country monitoring based on in-country assessments.
- 28. Three regional reviews were being initiated in cooperation with the World Bank and regional development banks. These organizations would take the lead for preparatory meetings intended to enable all stakeholders to focus on real needs and challenges on the ground, prioritize needs and deliver business plans. These would culminate in an annual Aid for Trade event, the first of which was scheduled for November 2007. The initiative was neither about transforming the World Trade Organization into a development agency nor about creating a new mechanism. The aim was to work with others. The question was how CEB could help developing countries identify priorities, mainstream trade in their national strategies and work with colleagues to develop regional approaches, which were key factors in ensuring success. It was time to move from making it possible to making it happen. Donors would need to meet their commitments by delivering new resources. The first case for that was the enhanced integrated framework for Trade-related capacity-building for least developed countries. Regardless of differences on the virtues of trade expansion, Aid for Trade remained an important tool to ensure that trade served development. Moreover, this issue fell squarely into the CEB agenda for coherence.

### Discussion

29. For the United Nations Conference on Trade and Development (UNCTAD), the objective of helping integrate poor countries in the international trading system should be at the core of the initiative. The emphasis was on enhancing supply capacity and benefiting from market access. It was thus, basically, a development programme. It was encouraging that the Aid for Trade initiative was being detached from the Doha negotiations. It was important to create a programme independent and unrelated to progress in the round. The identification of priority needs and trade integration studies were required not only for least developed countries, but for other developing countries as well. Financing issues were also important, as the

integrated framework could not operate properly without predictable, additional resources. Least developed countries, for which diagnostic studies had been undertaken, could not move forward without new financing. Past experience showed that institutionalized and multilateral funding arrangements were more predictable, highlighting the need to encourage donors to channel their resources multilaterally. United Nations agencies, for their part, had to avoid competition and work together. In this perspective, UNCTAD suggested the creation of a thematic cluster on trade and productive capacity under CEB, so that organizations with common activities could get together to map out priority activities and work on strategic programmes.

- 30. Agriculture was a major stumbling block in the Doha negotiations. Supply elasticity was not being adequately addressed, although it was fundamental to ensuring a level playing field. Climate and water were determinants of productive capacity in least developed countries as only some 4 per cent of arable land was irrigated while 96 per cent of agriculture was rain-fed. This was particularly worrying as 80 per cent of employment was in the agricultural sector. The Food and Agriculture Organization of the United Nations (FAO) looked forward to working closely with UNCTAD, the World Trade Organization and other organizations in the context of the Aid for Trade initiative as well as in the cluster proposed by UNCTAD. In April, the FAO Intergovernmental Committee on Commodities would address the Aid for Trade initiative, particularly the need for agricultural capacity-building.
- 31. The significance of the link between trade and productive capacity was stressed in many of the interventions, as was the impact of production, infrastructure and energy costs. UNIDO was supportive of a thematic cluster on productive sectors and trade and was already actively involved in a technical group that aimed to define relevant modalities and programmes. Developing countries suffered from supply-side constraints and, in that context, productive capacity would need to be combined with enterprise development, particularly of small and medium-sized firms, which were the biggest generators of employment. Too often, poverty was still addressed in isolation from the overall economic environment and from the economic interventions that could serve to overcome it. The challenge was to look at poverty differently, beyond social interventions, and to address wealth creation, enterprise development and entrepreneurship in a purposeful way.
- 32. A joint effort was necessary, in particular to link trade with employment. Trade both created and eliminated jobs. The challenge was to maximize the positive while, at the same time, dealing with the negative impacts. For the ILO, productive capacity-building implied enterprise development. Adjustment assistance meant social protection, and infrastructure development implied the creation of labour-intensive infrastructure. In the view of some, an alternative to creating a new CEB cluster on trade and supply capacity might be to consolidate trade and employment in a single cluster.
- 33. The World Bank looked forward to working closely with the World Trade Organization on the Aid for Trade initiative in order to contribute to the integration of poor countries into the world economy. The Bank regarded Aid for Trade as an essential complement to a successful Doha round. Helping countries deal with supply-side constraints was crucial to enabling them to fully exploit their trade potential.

- 34. Raising awareness of trade issues among resident coordinators was viewed as important in order to ensure that trade featured appropriately in country programmes. Seminars such as those held by ILO on employment issues would be helpful in this regard. UNDP was devising a management system that would facilitate organizations such as UNCTAD to undertake country missions. The system would be hosted in the country offices in order to contribute to the trade agenda.
- 35. It was recalled that 90 per cent of world trade was undertaken through maritime transport. It was argued that this alone justified establishing a strong link between efficient, safe and secure maritime transport infrastructure and the expansion of trade for development. Raising awareness of adequate maritime transport infrastructure and facilitation of maritime traffic through the reduction of red tape in ports should be an integral part of the effort to increase trade-related capacity. An illustration presented in this regard was the fruitful cooperation between IMO and the World Trade Organization on transport chain security, to which other organizations such as UNCTAD could contribute.
- 36. Also highlighted in the discussions was the importance of postal services as instruments of communications supporting trade and other economic activities. The Universal Postal Union (UPU) had developed a strategy that could help expand global trade by facilitating postal services through physical, financial and e-commerce services. Effective postal services were a form of infrastructure that many poor countries lacked. Business-friendly transport solutions could also easily be introduced through postal services.
- 37. For the United Nations Environment Programme (UNEP), the Aid for Trade initiative should be seized as an opportunity to see whether the dynamics of trade negotiations were moving towards more sustainable production. Too often, short-term gains were sought at the expense of long-term interests, environmental as well as economic. There was no reason why developing countries could not choose first-tier technology directly, instead of first using second- or third-tier technologies. According to one study, in Germany the environmental technology industry would soon overtake the auto industry in terms of the number of people it employs.
- 38. There was much experience and significant analytical capacity on trade matters in the regional commissions, including, in particular, in the context of regional and subregional trade agreements. The Commissions could thus contribute effectively to the Aid for Trade initiative, especially in relation to regional reviews and their follow-up.
- 39. In response to some of the interventions, the Director-General of the World Trade Organization stated that while there was obviously a political link, there were no legal linkages between the Aid for Trade initiative and the multilateral trade negotiations. Aid for Trade would run its course irrespective of the outcome of the negotiations. No improvement in Aid for Trade would obviate the fact that very difficult negotiations lie ahead on tariffs and subsidies. Concurring with the views expressed with regard to the regional dimension, he underlined that many capacity issues could not be addressed solely at the domestic level, but required regional approaches, for which cooperation with the regional development banks and the regional commissions would be essential. He also agreed that the experience with the integrated framework had been a mixed one. The enhanced integrated framework would be the first test to see whether attitudes were changing. There was also need for policy coordination in respect of industry, agriculture and services.

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Any agency interested in working on the Aid for Trade initiative on the operational side was welcome to manifest its interest to the World Trade Organization.

40. There was a wide expression of support for the process as outlined by the Director-General of the World Trade Organization, as there was for creating a CEB cluster dealing with trade and productive capacity to help CEB make a useful and coherent contribution to the process. The Secretary-General indicated that the proposed creation of such a cluster would receive priority attention in the context of the review of CEB.

# C. "One United Nations" at the country level

- 41. In introducing this item, the Secretary-General noted the increasingly positive atmosphere surrounding inter-agency discussions on how the system should proceed to deliver as "One United Nations". He observed that it is principally the work of the United Nations system at the country level that determines the image of the system, whether in donor or recipient countries. The system could not afford to be perceived as a disparate group of competing organizations. CEB members should strive to work as a coherent system, devoted to bringing diverse capacities to bear in a concerted way on the development priorities of countries, as defined by the countries themselves. How best to harness the limited resources available to United Nations organizations so as to maximize their impact remained a major challenge. He welcomed, in this context, the call by HLCP for an evaluation of the eight One United Nations pilot projects that were under way.
- 42. The Secretary-General recalled that he had very recently introduced his report on the recommendations of the High-level Panel on United Nations System-wide Coherence (A/61/836) to the General Assembly. He expected that, in the coming weeks, there would be a clearer sense of the positions of Member States. Indications, at present, were on the whole positive. He had tasked the Deputy Secretary-General with leading Secretariat support for the process. He added that reconciling the positions taken by Member States in different forums was often difficult. By projecting flexibility, creativity and unity, CEB could lead by example and help foster the political consensus necessary to advance system-wide coherence and overall progress.
- 43. The Deputy Secretary-General briefed the Board on the process that had commenced in the General Assembly with the launch of the report of the Secretary-General on the recommendations of the High-level Panel, stressing that she was looking forward to working closely with executive heads throughout all phases of the process. Outlining the various views held by Member States, both in their individual capacities and within the scope of their groups, she noted that countries with a large United Nations presence appeared to be more supportive of the One United Nations concept, while those with a limited United Nations presence did not seem to view it with the same sense of urgency.
- 44. The Deputy Secretary-General stressed the need to address the concerns of some Member States regarding potential new aid conditionalities and to reassure everyone that the principle of national ownership would be fully upheld. The challenge was to address those concerns and resolve differences so that Member States took ownership of the process, which would require mediation and compromise. She looked forward to helping to build consensus internally within the

United Nations system as well as among Member States. In this context, she stressed the importance of United Nations system organizations "speaking with one voice", and the key contribution that the High-level Committee on Programmes could make in this regard.

- 45. The Deputy Secretary-General planned to establish a steering group of senior officials in the United Nations system, under her chairmanship, to support the intergovernmental process. The pilots should be a showcase of the benefits to be derived from United Nations organizations working together in countries, thus dispelling some of the concerns of Member States and laying the groundwork for stronger intergovernmental support for other reform proposals as well. She thanked the United Nations Development Group and the country teams for their work in establishing the pilots, and called for the support of organizations for the key role of the resident coordinators. She also hoped that the evaluation of the pilots would go forward and that a new system-wide evaluation mechanism, called for by the Highlevel Panel and discussed in High-level Committee on Programmes and High-level Committee on Management, would be soon established and appropriately resourced.
- 46. The administrator of UNDP and chair of United Nations Development Group noted that the United Nations system could and should move ahead on certain recommendations of the High-level Panel, while being mindful that proceeding on the whole package of reforms put forward by the Panel should await the outcome of the intergovernmental discussions now under way. Working on the pilots was serving to bring the United Nations family together, and this experiment, if successful, would certainly have a positive impact on the intergovernmental process. By the end of 2007, it would be necessary to show real results from the pilots. The main challenge in this regard was setting strategic priorities that corresponded to national requirements and the priorities of the countries themselves. The United Nations system needed to recognize where its comparative advantage lay, be strategic and acknowledge that there were areas where others, including the private sector, were better equipped than they to do the work. At present, there was still excessive fragmentation and competition. The pooling of resources in response to national priorities was a key goal, in order to eliminate unnecessary competition in resource mobilization. He called upon executive heads, who had shown their trust and confidence in the effectiveness of the One United Nations approach, to convey their support to the country teams and contribute effectively to the cluster approach. He fully endorsed the call for an evaluation of the pilots, which should be done in a phased manner, starting with the evaluation of the process, but leading in time to an evaluation of actual development results. He considered that "Delivering as one" was a more accurate slogan than One United Nations, as the intent was not to merge identities and mandates, but rather to deliver together, while maintaining distinct identities and structures.
- 47. CEB members thanked the administrator of UNDP and chair of United Nations Development Group for the work that had been accomplished so far on One United Nations at the country level through the eight pilots. They thanked him in particular for his cooperation in the effort to make the models for these pilots more flexible so as to respond better to different country requirements and also to duly reflect the diversity that existed within the system. This diversity, if effectively harnessed was an asset for programme countries, and should be used and projected as such. The Board generally concurred that the success of the pilots would be important in demonstrating the ability of the system to deliver as one. As the pilots were still in

their early stages, there were a number of issues that were yet to be fully addressed. In this perspective, executive heads offered several observations and suggestions aimed at maximizing the contribution made by the experiment to the drive towards greater coherence:

- A number of executive heads underlined the experimental nature of the pilots. While noting that experiences in each country would necessarily vary, they were open to examining constructively what common threads would emerge to advance the process. It was also observed that the United Nations system, while acting on certain recommendations of the High-level Panel, should not give the impression of prejudging the outcome of the intergovernmental deliberations which would be taking place on this issue in the General Assembly, including in the context of the triennial comprehensive policy review of operational activities. Although some Member States, including major recipients of United Nations system assistance, were indicating support for the One United Nations approach, the misgivings voiced by others regarding the possibility of new conditionalities being introduced should be addressed.
- A number of executive heads noted that the eight pilots were not necessarily representative of the totality of the work of the system at the country level. In particular, the development-based model did not take into account the mandates of humanitarian and rights-based organizations, or some of the realities on the ground. Certain tasks, such as protection of and assistance to refugees, were often of a transboundary nature and could not be contained within the scope of one programme, nor could certain issues, such as non-refoulement, be best articulated by one leader. Furthermore, national Governments were reluctant to place humanitarian assistance requirements in their national plans, as they considered this to be an area for distinct funding by the international community. As for human rights, the presence of the United Nations, even where consensual, did not always easily fit into the development framework.
- For these and other reasons, the United Nations system delivery in the areas of development, human rights and peace and security could not always proceed in a unified way. The challenge was to tackle sometimes contradictory situations in one country without working at odds within the system, and without detracting from the overall effort towards greater system-wide coherence.
- The executive heads of a number of non-resident agencies noted that the development assistance programmes in the United Nations Development Assistance Framework often did not reflect the totality of the contribution that the United Nations system is making in response to countries' requirements and priorities. There was a need for greater sensitization of the resident coordinators with regard to the full array of services and expertise that non-resident agencies can offer. The technical assistance and capacity-building that some non-resident agencies delivered at the national level was highly specialized and targeted, and should be duly taken into account in pursuing the objective of One United Nations at the country level. A deeper understanding of the linkage between the work of the technical agencies and the Millennium Development Goals would facilitate a better integration of the system as a whole in the One United Nations approach. Some doubts were expressed in

this context about the feasibility of the arrangement being discussed in the United Nations Development Group whereby an official in the country team would be entrusted with the responsibility of representing the interests of all non-resident agencies, given the great diversity that exists in their mandates and modalities of operation. In addition, some of the agencies, facing zero nominal or zero growth for a number of years, may not have the financial means to underwrite the related costs.

- It was noted that a number of the specialized agencies do not have formal country-level representation, but work through national Governmental entities or technical administrations. Some have regional offices or other forms of regional liaison. It was suggested that a solution might be to build mixed multidisciplinary country teams comprising both United Nations staff and qualified technical experts designated by the relevant agencies or their national counterparts. The regional bodies of certain agencies could also provide liaison to the country teams.
- 48. Acknowledging the crucial role of the resident coordinator in realizing the One United Nations approach, members of CEB stressed the need to ensure that clear and coherent direction was provided to them and that an appropriate framework was developed for managing their work. Resident coordinators should have clear reporting lines and be accountable to the system as a whole.
- 49. As part of the overall effort to deliver as one, broad support was expressed for the establishment, under CEB, of thematic clusters of interested organizations, as a means to ensure that country-level actions of the system were guided by coherent policy frameworks, and that the comparative advantages of the agencies directly engaged in the relevant thematic areas were fully tapped. In addition to the proposals referred to above to establish CEB clusters on trade and productive activities, suggestions were made for the establishment of clusters on climate change and disaster prevention. It was agreed that these proposals would be further pursued by CEB in the context of CEB discussions on the functioning of the Board.
- 50. CEB members agreed that national ownership, comparative advantage, accountability and maximum effectiveness should be among the principles guiding the system effort to deliver as one. This should be accompanied by a renewed effort to interface better with the work being done by other actors at the country level, bearing in mind the significant levels of resources, and thus the impact on the development of countries, that some of these actors can make.
- 51. The Board agreed that flexibility should be maintained in pursuing the One United Nations approach, pending discussions in the Economic and Social Council and the General Assembly on the recommendations of the High-level Panel. It fully endorsed the call of the HLCP for an evaluation of the pilots, noting at the same time that the lessons to be drawn may not be applicable to all of the country-level work of the system.
- 52. CEB called upon the United Nations Evaluation Group to urgently establish the substantive parameters and process for the evaluation of the pilots and requested to be kept fully and regularly informed of progress.
- 53. The Board also highlighted, in the context of the triennial comprehensive policy review of operational activities, the importance of predictable and reliable funding as a key ingredient in the drive towards greater coherence, and in advancing

the concept of good multilateral donorship. It also stressed the need to ensure the closest possible alignment of its capacity development efforts with national development strategies.

### D. Other programme matters

### **Economic and Social Council**

- 54. At the request of the Secretary-General, the Under-Secretary-General for Economic and Social Affairs briefed the Board on developments with the implementation of the new mandates entrusted to the Economic and Social Council by the 2005 World Summit and further elaborated by the General Assembly (General Assembly resolution 61/16). The annual ministerial reviews of progress towards the internationally agreed development goals, including the Millennium Development Goals, had the potential of establishing the Economic and Social Council as the central forum for intergovernmental oversight and assessment of the implementation of the United Nations development agenda. As such, they will afford a new, valuable opportunity for the United Nations system to bring emerging challenges and lessons learned, including obstacles encountered, to the attention of ministers and to contribute to forging concerted responses by the international community.
- 55. Each year, the annual ministerial reviews will encompass an overall appraisal progress; an in-depth review of a selected priority theme focused on one of the Millennium Development Goals; and voluntary national presentations. The first such review will take place in July 2007 and will address the topic, "Strengthening efforts to eradicate poverty and hunger, including through the global partnership for development".
- 56. The first meeting of the biennial Development Cooperation Forum, which will be launched at the substantive session of the Economic and Social Council in July 2007, will be held during the 2008 substantive session of the Council. The Forum provides a global platform where all stakeholders (including bilateral donors and multilateral organizations, international financial and trade institutions and regional organizations) will be able to engage in a high-level dialogue on new trends and key policy issues affecting development cooperation in all its forms multilateral, North-South and South-South. Some differences remain on the focus of the Forum, which developed countries wish to concentrate on aid, while developing countries want the Forum to include the issues of debt and trade. A preparatory high-level symposium on the Forum had just been held in Vienna, attended by the Under-Secretary-General for Economic and Social Affairs. He expected that a satisfactory formula would be arrived at on how the Forum would address aid and its linkages with debt and trade in a way that would ensure that the Forum added real value and effectively complemented work in other forums.
- 57. The Under-Secretary-General expressed the hope that these two new features of the work of the Economic and Social Council would also serve to give renewed impetus to the more traditional roles of the Council: to provide a platform for the governance of the operational activities of the system through the Council's operational activities segment and the triennial comprehensive policy review of development operations; and to further policy and programmatic coherence within the system through its coordination segment. In relation to the coordination segment

in particular, the Under-Secretary-General drew attention to the proposals discussed in High-level Committee on Programmes to revamp the annual reports of CEB and to provide for their discussion in that segment, through panels of executive heads of clusters of agencies (for example, the food agencies and the infrastructure agencies) so as to cover, over a period of three to four years, all aspects of the work of the system, including the work of technical agencies whose activities are vital to development but have not so far received the necessary political attention at the intergovernmental level in the United Nations.

- 58. During the discussions, the potential of the new functions entrusted to the Economic and Social Council to enhance the relevance and impact of its work was recognized. At the same time, reference was made to the insufficient scope that the system has until now had for a meaningful policy dialogue with Council members and the factors that have significantly limited the value that the Council has added so far to the work of United Nations system organizations or to the coherence effort. These constraints will need to be squarely addressed for the potential of the new reforms to be fully realized. Attention was also drawn to the recurring problem of an overlap between the dates of the High-level segment of the Economic and Social Council and those of the annual African Union summit in the first week of July, which prevented African leaders and relevant international organizations from participating in the work of the Council.
- 59. Responding to the debate, the Under-Secretary-General reminded CEB members that any assessment of the impact and added value of the Council should encompass all bodies of the Economic and Social Council, including the regional, the functional commissions, for example the very effective and well respected Statistical Commission and the Commission on Sustainable Development. As far as the Council itself was concerned, in addition to the new forums established at the 2005 World Summit, interesting further reforms had been suggested by the Highlevel Panel on System-wide Coherence, including the convening of a "Global Leaders Forum" and the establishment of a sustainable development board. Some misunderstandings appeared to surround these proposals. He hoped the misunderstandings would be dispelled, so that the proposals could be considered on their merits.
- 60. The Secretary-General recalled that the Economic and Social Council was a Charter organ and had been vested by the Charter with central responsibility for advancing economic and social progress. Its role and ways to strengthen its functioning should be seen in this context. The new mandates entrusted to the Council provided new opportunities to correct current deficiencies and enhance the impact and relevance of the Council to the drive towards closer system-wide coordination and deeper policy coherence. He planned to attend the High-level segment of the Council in July.

# **United Nations Conventions against Transnational Organized Crime and Corruption**

61. The executive director of the United Nations Office on Drugs and Crime recalled that during the negotiation of the United Nations Convention against Corruption, a proposal had been made to address matters associated with the bribery of international civil servants in the Convention. While the proposal had not been retained, he felt that a visible effort at this time to devise a system-wide instrument

to extend the principles and standards of the Convention to United Nations system staff would add greatly to the credibility of current efforts within the system to combat corruption, strengthen institutional integrity and respond coherently and effectively to demands to reinforce accountability system-wide. He offered to prepare a concise paper further defining the issues involved and setting out a number of proposed principles around which the system might coalesce. He invited CEB members to identify counterparts in their organizations who would participate in a consultative process to review, against the standards of the Convention, relevant rules and regulations in force in the different organizations of the system and examine together possibilities for their upgrading and harmonization, as necessary, and modalities for their integration. The outcome would be reported to CEB at its fall session.

- 62. The Secretary-General welcomed the initiative and the consultative process that was envisaged. In the discussions, potential participants were cautioned to avoid launching overly complex processes for the useful but straightforward task of reviewing existing staff rules and upgrading and reinforcing, as required, their anticorruption features.
- 63. The Board endorsed the recommendation of the High-level Committee on Programmes that the High-level Committee on Management and its relevant networks be actively engaged in pursuing the matter with the United Nations Office on Drugs and Crime.

### **Africa**

- 64. At the request of the Secretary-General, the Deputy Secretary-General addressed the issue of United Nations support for African development. She reviewed current economic and social trends in African development and the serious problems that African countries continue to face in the effort to achieve the Millennium Development Goals. With the halfway point to the target date (2015) for meeting the Millennium Development Goals approaching rapidly, it was incumbent on the United Nations system to make a strong, renewed effort to revitalize its common endeavours in support of Africa. She urged that the issue be placed on the agenda of the next CEB session and endorsed the proposals of the High-level Committee on Programmes in this regard. She felt that all three themes proposed by the Committee: Aid effectiveness in meeting Millennium Development Goal targets, Effectiveness of United Nations support for Africa's development or Implementation of United Nations-African Union declaration on cooperation between the two institutions could be appropriate for the CEB agenda. She also supported the proposal of the High-level Committee on Programmes that it highlight implications for African development in the relevant thematic papers prepared for discussion by CEB.
- 65. Members of CEB concurred in acknowledging the need for CEB to adopt innovative approaches to addressing African development in the future. They called for inclusive preparatory processes to the CEB discussions, engaging outside experts as necessary, who would develop clear analyses and specific, action-oriented recommendations to improve United Nations system support to African development, for consideration by CEB.
- 66. Suggesting that a Marshall Plan for Africa was required over the next seven years to meet the Millennium Development Goals, the Secretary-General of ITU

briefed the Board on a new ITU regional initiative on ICT in Africa that could make a major contribution to African development and stated that he looked forward to briefing CEB on progress in this regard at its next session. While they appreciated this important initiative, some executive heads reiterated the pressing need to consolidate into a common framework the plethora of plans and initiatives currently being pursued in support of Africa.

- 67. Globalization and the need to make it work for Africa were highlighted as an important perspective for CEB in addressing United Nations system support for African development. The Secretary-General of the United Nations Conference on Trade and Development called on the system to take a proactive, forward-looking approach to African development. He referred, in this context, to the fact that UNCTAD intended to convene a "world summit on investment" as a major side event at the upcoming conference, which would bring together Governments and private sector organizations in the search for new solutions. He also referred to the impact of the annual report of the United Nations Conference on Trade and Development on Africa, which provided a good example of out of the box thinking.
- 68. The Secretary-General observed that the gap between developing countries, particularly in Africa, and the developed world appeared to be widening, rather than narrowing. At the same time, some countries, including countries in Africa, were registering very encouraging progress in the path towards the Millennium Development Goals. He concluded that CEB agreed that Africa should be on the agenda of the next CEB session and highlighted the need for thorough preparation for that discussion through the High-level Committee on Programmes.
- 69. The Board noted the progress being made in the Task force on economic development in relation to the important issue of urbanization as well as developments in the area of migration.
- 70. The Secretary-General of the World Tourism Organization informed the members of CEB that the United Nations Tourism Exchange Network, which launched by CEB in April 2006, would be operational by June 2007. He encouraged organizations to provide all the necessary information on their tourism-related projects and activities.

# III. Management issues (including issues arising from the joint meeting of the High-level Committee on Programmes/High-level Committee on Management)

# **A.** Harmonization and reform of United Nations system business practices

71. The chair of the High-level Committee on Management briefed the Board on the state of play in the Committee discussions on the harmonization and reform of business practices. She stated that the approach to the reform of business practices in the United Nations system should be driven by the need to respond to programme priorities, rather than by bureaucratic considerations, and should be based on clear business logic with demonstrated system-wide benefits. She outlined the various components of the draft action plan on harmonization and reform of United Nations business practices discussed by the High-level Committee on Management, which

were geared to provide a comprehensive approach to enhancing system-wide coherence. She informed the Board that the Committee had heard the views of representatives of the Federation of International Civil Servants' Associations and the Coordinating Committee for International Staff Unions and Associations of the United Nations System on the initiative. Staff had urged that the initiative should lead to an improvement of system-wide conditions on the basis of best practices, rather than the lowest common denominator, and had asked to be regularly consulted in the process.

- 72. The chair of High-level Committee on Management noted that the success of the initiative would ultimately depend on the political will of the executive heads, who should provide a strong mandate to their heads of management in this regard. She informed the Board that a working group of the Committee chaired by WHO, had been tasked to further develop the action plan, for review by the Committee and endorsement by CEB at their fall sessions.
- 73. Strong support was expressed for this initiative as an important element of the drive towards greater system-wide coherence. It was recalled that the harmonization of business practices had emerged as a central recommendation of the High-level Panel on System-wide Coherence.
- 74. The Board endorsed the initiative of the High-level Committee on Management on the development of the proposed action plan and decided to revert to the matter at its next meeting. In this context, the Board also endorsed the proposal of the High-level Committee on Management for the preparation of a detailed study by the CEB secretariat on the functioning of the International Civil Service Commission.

### **B.** Other management issues

75. The chair of the High-level Committee on Management briefed the Board on the Committee's conclusions on the issue of confidentiality of internal audit reports; the financing of the United Nations security management system; the recent launch of the senior management network; the establishment of a central system-wide evaluation unit; and progress on results-based management.

### 1. Confidentiality of internal audit reports

76. With regard to confidentiality of internal audit reports, the chair of the Highlevel Committee on Management informed the Board that the Committee had reverted to this matter in the context of mounting demands by Member States for access to final internal audit reports and had decided to review current practices through its finance and budget network. In taking this process forward, the finance and budget network was considering initial criteria to guide this exercise with a view to establishing a common approach to the disclosure of information contained in internal audit reports. She informed CEB of the criteria being considered by the finance and budget network in consultation with the heads of internal audit of member organizations and indicated that further consultations would be undertaken on those criteria. She noted that the eventual proposals would take into account consultations with the Board of external auditors and the Institute of internal auditors as well as the need to respect the legislative decisions of governing bodies in the United Nations system.

- 77. During the CEB discussions, some reservations were expressed that sharing internal audit reports would dilute their function as a vital management tool. The need to distinguish between internal and external audits and their separate functions was also stressed.
- 78. While the process adopted by the High-level Committee on Management was generally welcomed, the need to proceed with care was flagged, as was the need for sensitivity in handling internal information due to the vulnerability of the information technology system.
- 79. The chair of the High-level Committee on Management clarified that the proposal before CEB was to note the progress made by the Committee's finance and budget network, as a basis for the Committee's further examination of the issue of disclosure of information contained in internal audit reports, and to put forward proposals and criteria (see para. 75 above).
- 80. The Secretary-General acknowledged the need to preserve the integrity of internal audits as management tools. At the same time, the system was faced with growing demands for transparency and accountability, to which it had to respond. He welcomed the intention of the High-level Committee on Management to pursue its discussions on the matter and revert to CEB at its next session.
- 81. The Board took note of progress in the work of the High-level Committee on Management. It noted the need for further work and consultation on the disclosure of information contained in internal audit reports and agreed to consider this matter further at its next session.

### 2. United Nations security management system

82. With regard to the financing of the United Nations security management system, the chair of the High-level Committee on Management informed the Board that the committee had agreed on a new cost-sharing formula and that the only outstanding matter was the concurrence of the World Bank, on the basis of further information to be provided by the United Nations. She was hopeful that full agreement would soon be achieved on this important issue.

### 3. Senior management network

- 83. The chair of the High-level Committee on Management recalled the earlier decisions of CEB concerning the Senior Management Network and informed the Board that the Network and the staff leadership programme had now been launched. The key objective of those initiatives was to inculcate among senior officials a new corporate culture geared to further system-wide coherence. Membership in the proposed network would consist of approximately 600 to 1,000 senior staff.
- 84. CEB members highlighted the need to strengthen the competencies and training of staff and welcomed the launch of the Senior Management Network. In this regard, it was noted that staff mobility was often not well understood. There were many misperceptions that needed to be dispelled. Efforts to promote staff mobility should be maintained but better explained and projected.
- 85. The Secretary-General noted the concerns of staff in this regard, and shared the view that the concept of mobility was sometimes misinterpreted as meaning only geographical mobility, while it also fully encompassed mobility within duty stations.

He particularly highlighted the need to strengthen staff training and its potential contribution also to supporting staff mobility.

### 4. Results-based management and system-wide evaluation

- 86. The Board noted with appreciation the progress being made in developing a common approach to results-based management and the forthcoming training activities being organized by the CEB secretariat.
- 87. The Board welcomed the decision of the joint meeting of the High-level Committee on Programmes and the High-level Committee on Management to request the United Nations Evaluation Group, in cooperation with the CEB secretariat, to develop a detailed proposal on the possible scope, funding and governance of a system-wide evaluation unit. It was noted that this proposal would be discussed by both Committees in preparation for the next session of CEB.

# IV. Other matters

# A. Dates of CEB fall 2007 and spring 2008 sessions

- 88. With respect to the second regular session of CEB in 2007, to be held at United Nations Headquarters, CEB members would be consulted on two alternative dates: 26 and 27 October or 2 and 3 November.
- 89. The Board agreed that its first regular session of 2008 would be held at the Universal Postal Union headquarters in Berne, at the invitation of the Director-General of the Universal Postal Union. Dates for the first regular session of 2008 would be set upon further consultations.