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### Coordination, programme and other questions: reports of coordination bodies

## Annual overview report of the United Nations System Chief Executives Board for Coordination for 2006/07

### *Summary*

The present report provides an overview of major developments in inter-agency cooperation within the framework of the United Nations System Chief Executives Board for Coordination (CEB), during the period covering its fall 2006 and spring 2007 sessions, during which CEB initiated a dialogue encompassing the main global policy issues facing the international community, initiated a process of harmonization of United Nations management practices and addressed the integration of policy, management and operational activities within its framework.

During the reporting period, CEB, supported by its High-level Committee on Programmes, addressed a number of programme issues with system-wide implications. Those included issues that required the development of a coordinated response from the United Nations system, such as employment and decent work and the midterm review of the Brussels Programme of Action for the Least Developed Countries. Other topics were addressed from the perspective of developing common understanding and coherent responses to emerging issues on the international agenda, and ranged from system-wide coherence and the “One United Nations” system at the country level to aid-for-trade.

CEB continued its integrated and concrete consideration of management issues with the support of its High-level Committee on Management. The Committee and its networks devoted considerable time and attention to the subject of management harmonization and reform, with the aim of sharing information, avoiding duplication and setting common directions for future work. A number of important and emerging issues were on the Committee’s agenda, including: the harmonization of United Nations system business practices, the confidentiality of internal audit reports, and the United Nations security management system.

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The High-level Committee on Programmes and the High-level Committee on Management continued the innovative practice of holding joint meetings, which they had begun in 2006, in order to address cross-cutting issues from both a programme and a management perspective. Those meetings were intended to address major issues relevant to the work of both committees that were of importance across the work of the United Nations system. Issues addressed included gender equality and gender mainstreaming, results-based management, the United Nations System Staff College, and the establishment of a United Nations system-wide evaluation mechanism.

Renewed attention was given to enhancing the effectiveness of CEB itself in addressing the major strategic challenges facing the United Nations system, in order to respond more effectively to major global issues and to ensure that all the analytical and operational capacities available in the system were brought to bear on meeting those challenges, and to maximize the system's responsiveness to the requirements of Member States and the international community. The Secretary-General had requested the directors-general of the International Labour Organization and the World Trade Organization to lead a review of the functioning of CEB to that end. The review was an important step forward in the evolution of CEB to more fully assume a strengthened role in the management of system-wide coordination under the leadership of the Secretary-General, and to develop a more integrated CEB framework that addressed policy, management and operational issues coherently.

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## I. Introduction

1. A consistent focus of the work of the United Nations System Chief Executives Board for Coordination (CEB) over the years has been to capitalize on the unique legitimacy and combined strengths of the organizations of the United Nations system, in order to maximize the system's responsiveness to the requirements of Member States and the international community. During 2006/07, renewed attention was given to enhancing the effectiveness of CEB itself, in addressing the major strategic challenges facing the United Nations system and in helping to ensure that all the analytical and operational capacities available in the system were brought to bear in a coherent way in meeting those challenges.

2. A number of factors were converging in creating, within the system, a new sense of urgency as well as of opportunity: a sense that the international community needed a strong, effective and united United Nations system; and a recognition that there were currently new, stronger foundations for advancing in that direction. A combination of circumstances currently existed that both compelled and facilitated a renewed effort on the part of CEB to maximize its contribution to that end.

3. The changing patterns of globalization and the opportunities for progress they offered and the risks they presented, including global challenges from climate change to international migration, all called for concerted, cross-sectoral responses. At the institutional level, the emergence on the international scene of new actors, including new issue-based organizations and global funds, was adding to the diversity of, and capacity for, responses by the international community, but was, at the same time, increasing the risk of duplication and fragmentation.

4. The breadth and scope of the policy foundations on which the system could currently rely to mount a renewed effort at enhancing coherence and impact were unprecedented. The Millennium Declaration, the internationally agreed development goals that had emerged from the United Nations conferences and summits, with the Millennium Development Goals prominent among them, and the outcome document of the 2005 World Summit, provided a solid keystone that supported and bound together the strategies and policies of the organizations of the system. They had played a crucial role in shaping the sense of common purpose that currently guided the system. The organizations of the system, acting together, had a key role to play in helping bridge the gap between commitment and action and in translating those international agreements into practical outcomes that had real impact in the lives of communities and peoples.

5. The priorities outlined by the new Secretary-General, Ban Ki-moon, Chair of CEB, in assuming office, the release of the report of the High-level Panel on System-wide Coherence and the initiation of intergovernmental deliberations on its recommendations, and the renewed momentum for reform that prevailed within and outside the system, had all strengthened a conviction on the part of the membership of CEB to seize the opportunity for a renewed effort at fully exploring the potential CEB carried as a driving force for enhanced coherence and effectiveness system-wide.

6. As part of the review of its own functioning, CEB was endeavouring to instil in inter-agency work a new level of ambition that fully recognized and respected the individual mandates and different governance structures and constituencies of its

member organizations and sought to maximize the value of that diversity as an asset in terms of the breadth and scope of the services provided to the membership.

7. The strong sense of common purpose that increasingly characterized the work of CEB enabled the Board to address more decisively the problems of overlap and duplication that the system was encountering. The new level of ambition that CEB was endeavouring to introduce in its work was being targeted equally at policy development and implementation; at enhancing the strategic contribution of CEB to addressing the global challenges that the international community was facing; and at bringing the collective authority of the executive heads to bear on the effectiveness and coherence of the system's actions at the country level in response to country-defined strategies and priorities.

## **II. Programme issues**

8. Over the 2006/07 period, CEB addressed a number of emerging and important programme issues with system-wide implications. Those included issues that required the development of a coordinated response from the United Nations, such as international migration and development, the midterm review of the Brussels Programme of Action for the Least Developed Countries, and the cross-cutting issue of employment and decent work. Other topics were addressed from the perspective of developing common understanding and coherent responses to emerging issues on the international agenda, ranging from aid-for-trade to system-wide coherence and "One United Nations" at the country level.

9. The Board considered the new mandates entrusted to the Economic and Social Council by the 2005 World Summit and further elaborated by the General Assembly in its resolution 61/16 in the context of the need to improve policy and programme coordination in the United Nations system. The Annual Ministerial Review of progress on the internationally agreed development goals, including the Millennium Development Goals, held the potential for establishing the Council as a central forum for intergovernmental oversight and assessment of the implementation of the United Nations development agenda. The biannual Development Cooperation Forum would be launched at the Council's forthcoming July meeting and would provide a global platform where all stakeholders would be able to engage in high-level dialogue on new trends and key policy issues affecting development cooperation.

10. In its deliberations, CEB reiterated the potential that the new functions entrusted to the Economic and Social Council carried to enhance the relevance and impact of its work. The new mandates entrusted to the Council provided new opportunities for a meaningful policy dialogue between the Council and the United Nations system on system-wide coordination and policy coherence.

### **A. "One United Nations" at the country level**

11. CEB considered that a principal determinant of the United Nations system's image in donor as well as recipient countries was its work at the country level. The system could not, therefore, afford to be perceived as a disparate group of competing organizations. CEB members should instead strive to work as a coherent

system devoted to bringing its diverse capacities to bear, in a concerted way, on the priorities defined by developing countries. How best to harness the limited resources available to United Nations organizations to maximize their impact remained a major challenge.

12. While intergovernmental discussions on the whole package of reforms put forward in the Secretary-General's report on the recommendations of the High-level Panel on System-wide Coherence were under way, work on the eight "One United Nations" projects at the country level was serving to bring the United Nations family closer together. The necessity of showing real results from the pilots by the end of the year was underscored. The main challenge in that regard was setting strategic priorities that corresponded to national requirements and the country's own priorities. The pooling of resources in response to national priorities was an important next step in order to eliminate unnecessary competition in resource mobilization. CEB agreed that "Delivering as one" was a more accurate slogan than "One United Nations" as the intent was not to merge mandates, but rather to deliver together.

13. The Board expressed appreciation to the Administrator of the United Nations Development Programme (UNDP)/Chair of the United Nations Development Group (UNDG) for the work that had been accomplished so far on "One United Nations" at the country level through the eight pilot projects. Attempts to make the models for those pilot projects flexible to respond to different country requirements and to reflect the diversity of the system should be clarified and strengthened, and the Board generally concurred that the success of the pilot projects would be important in demonstrating the ability of the system to deliver as one. As the pilot projects were still in their early stages, a number of issues remained to be addressed. The Board stressed the experimental nature of the pilot projects and emphasized that progress on the projects should not prejudice the outcome of the intergovernmental deliberations on that issue in the General Assembly.

14. It was suggested that the eight pilot projects were not necessarily representative of the totality of the system's work at the country level. The development assistance programme in the United Nations Development Assistance Framework (UNDAF) often did not reflect the totality of the contribution that the United Nations system was making in response to country requirements and priorities. There was, thus, greater need for sensitizing resident coordinators with regard to the fuller services and expertise that non-resident agencies offered. Technical assistance and capacity-building of such agencies was highly specialized and targeted and should be taken into account in pursuing the objectives of "One United Nations" at the country level.

15. CEB recognized the crucial role of resident coordinators in realizing the "One United Nations" approach and 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. As part of the overall effort to deliver as one, the Board gave broad support for the establishment under CEB of thematic clusters of interested organizations as a means to ensure that the system's country-level actions were guided by coherent policy frameworks and that the comparative advantages of the agencies directly engaged were fully drawn on. The Board further agreed that national ownership, comparative advantage, accountability and

maximum effectiveness should be the principles guiding the system's efforts to deliver as one.

16. The Board fully endorsed the establishment of an evaluation process of the pilot projects, noting at the same time that lessons to be drawn might not be applicable to all the system's country-level work. In that regard, CEB called upon the United Nations Evaluation Group (UNEG) to urgently establish the substantive parameters and process for the evaluation of the pilot projects and requested to be kept fully and regularly informed of progress. As a first step, UNEG was mandated to begin work urgently on the development of evaluability criteria and baselines for the evaluation.

## **B. Employment and decent work**

17. CEB addressed the issue of employment and decent work both in an initial preparatory discussion at its fall 2006 session and on the basis of further preparation by the High-level Committee on Programmes at its spring 2007 session in the light of increasingly strong political support for addressing full employment and decent work for all. That support had been manifested at high-level international gatherings in various regions, such as the African Union Extraordinary Summit on Employment and Poverty Alleviation and the Fourth Summit of the Americas.

18. At the 2005 World Summit, heads of State had supported fair globalization and the goals of full and productive employment and decent work for all, and subsequently, the Economic and Social Council 2006 Ministerial Declaration had 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. In addition, the Secretary-General, in his annual report to the General Assembly at its sixty-first session, proposed that full employment and decent work for all be formally included as a new target under Millennium Development Goal 1.

19. CEB addressed several aspects of the employment and decent work agenda during the reporting period, including the potential for small- and medium-sized enterprises, especially in rural areas, to generate employment; advancing entrepreneurship and supporting development of small- and medium-sized businesses; and technologies that enhance the productivity of youth. A coherent United Nations system working together on the issue was seen by CEB as contributing to operationalizing the concept of "One United Nations" around an objective that was increasingly emerging as a priority at both the national and the international levels.

20. The High-level Committee on Programmes undertook the development of a toolkit to mainstream employment and decent work objectives in United Nations system organizations. The intent was to generate reflection throughout the system on how policies and programmes of the United Nations could contribute to maximizing job creation in the most effective way possible.

21. The methodology used in constructing the toolkit was a collective process led by the International Labour Organization (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 shared common objectives. It was

conceived along the structure of the decent work agenda, which consisted of the following four pillars: employment creation and enterprise development; social protection; standards and rights at work; and governance and social dialogue.

22. The objective of the toolkit was to assist the system support countries in achieving their objectives for full and productive employment and decent work through: mainstreaming the issue in policies and programmes; identifying areas of common interest, as well as linkages and synergies; deepening, sharing and expanding knowledge and tools in areas of common interest, and improving and pooling capacity to respond to country priorities.

23. In the next phase, CEB members will carry out initial self-assessments, as proposed in the toolkit, to establish a baseline to mark progress in 2010 and 2015. Initial assessments would be reported back in September 2007 so that CEB could provide an input to the Commission for Social Development on the theme of employment and decent work in February 2008.

24. CEB strongly supported the initiative and considered that the methodology that had been developed for the toolkit could be replicated in other areas as an integral part of the effort to advance policy coherence within the system. Practical responses were needed for the system to support countries in order to derive concrete benefit from such initiatives. The recent joint ILO-World Trade Organization study on trade and employment was cited as an example in that regard. It was clear that Millennium Development Goal 1 could not be achieved without employment generation and that for every 10 children being born, only one job was being created. In 2007 for the first time, 50 per cent of the global population would be living in urban areas, and by 2030 two thirds of the world's population would be living in urban areas with a majority in slums and squatter settlements.

25. 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 were at the core of development. In that regard, ILO had provided training to resident coordinators on the decent work agenda in order to assist them in mainstreaming those objectives at the country level.

26. CEB gave its full endorsement to the toolkit and agreed to review progress in its operationalization at the forthcoming session of CEB, with a view to contributing to the work of the Commission for Social Development on employment and decent work.

### **C. Aid-for-trade**

27. The Hong Kong Ministerial Declaration created a new WTO aid-for-trade work programme to complement the conclusion of the Doha Development Round. WTO had, in that regard, been mandated to monitor and evaluate aid-for-trade so as to create more incentives through greater transparency in honouring commitments, meeting needs, improving effectiveness and reinforcing mutual accountability. With the onset of the implementation phase of that initiative, the full involvement of the United Nations system was required.

28. CEB supported the need to further the objectives of the aid-for-trade initiative and noted that the reduction of trade barriers alone was not sufficient to put developing countries on the path to sustainable growth. The need to increase

resources for trade capacity-building in developing countries in order to help them benefit from improved market access was an essential aspect of a successful trade regime.

29. Monitoring of the aid-for-trade work programme would take place on three levels: global monitoring, donor monitoring and self-evaluation, and recipient country monitoring based on in-country assessments. The World Bank and the regional development banks would take the lead on regional reviews through preparatory meetings intended to enable all stakeholders to focus on real needs and challenges on the ground, prioritize needs and deliver business plans. Those would culminate in an annual aid-for-trade event, the first of which was scheduled for 2007. The initiative was not about creating new mechanisms, but rather about enabling WTO to work with others on implementing a work programme.

30. The central role of CEB members would be to help developing countries identify priorities, mainstream trade and national strategies and work on developing regional approaches, which were key factors to ensuring success. The challenge to the system was to maximize the positive aspects, while at the same time dealing with the negative impacts of trade liberalization. Aid-for-trade was seen as an essential complement to a successful Doha Round, i.e., helping countries deal with supply-side constraints while fully exploiting their trade potential. Raising awareness of trade issues among resident coordinators at the country level was seen as a very important issue to ensure that measures supporting countries in the development of capacity for trade featured appropriately in country programmes.

31. CEB noted that while there was no legal link between the aid-for-trade initiative and multilateral trade negotiations, there was an obvious political link. Aid-for-trade would take place irrespective of the status of negotiations; however, it could only complement and not substitute for progress on tariffs and subsidies. There was a need for policy coordination within the system in respect of industry, agriculture and services, and given the wide expression of support for the process, the Board decided that consideration should be given to the establishment of a cluster dealing with trade and productive capacity to help CEB make a useful and coherent contribution to the process.

#### **D. Brussels Programme of Action for the Least Developed Countries**

32. CEB also addressed the outcome of the midterm review by the General Assembly of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010. CEB highlighted the need to make every effort to accelerate the implementation of the Brussels Programme of Action as a major integral part of the drive towards meeting the internationally agreed development goals, including the Millennium Development Goals.

33. Despite some significant progress by some least developed countries, their gains as a group had been insufficient to meet the goals agreed upon in Brussels. Available data on recent poverty trends were not encouraging, with life expectancy declining in several least developed countries affected by HIV/AIDS and civil strife.

34. Further action was required under national leadership with international support in terms of market access, debt relief and more and better development

assistance, with the United Nations supporting those objectives by working in concert at both the policy and operational levels.

35. In response to the General Assembly's call for action, CEB decided to respond with a three-prong approach to the outcome of the review: (a) United Nations system organizations would redouble their efforts to accelerate the implementation of the Brussels Programme of Action in their respective fields of competence; (b) twenty United Nations system entities and agencies had already adopted decisions in their respective governing bodies to mainstream the implementation of the Brussels Programme of Action in their work programmes, and other relevant entities would take similar action; and (c) on the basis of the experience gained from the inter-agency consultation in the preparation of the review, further work would be undertaken on information sharing and building synergies around concrete objectives. It was agreed that the inter-agency consultations should be transformed into an inter-agency consultative group for the accelerated implementation of the Brussels Programme of Action.

## **E. Other programme matters**

### **1. International migration and development**

36. CEB took up the issue of international migration and development on the basis of an initial assessment of the implications for the system, as discussed by the General Assembly at the High-level Dialogue on International Migration and Development; CEB would seek to identify the steps needed to work towards greater policy coherence and programmatic and operational coordination in that area. In that regard, an effort by the Global Migration Group to improve the knowledge base through an inventory of available data sources in each of its member organizations was supported. The Group was also urged to take into account the issue of environmental degradation as a major push factor for migration.

37. CEB noted the initiative for convening a global forum on migration and development that would enable an ongoing dialogue among Governments on policies and practices that best contributed to progress. The importance of effective cooperation between the global forum, as an intergovernmental body, and the Global Migration Group, as an inter-agency mechanism well placed to support the forum, particularly in the areas of policy development and capacity-building was stressed. The Global Migration Group would be adopting new and more effective methods of work in the coming period and would address migration both as an economic issue linked to development and as a human rights issue.

### **2. Food security theme groups at the country level**

38. Recognizing the importance of substantive thematic coordination in responding to the needs and priorities of partner countries, the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP) informed CEB that the three organizations had decided to combine their complementary capacities and comparative advantages within food security theme groups at the country level. The groups are based on a jointly agreed twin-track approach whereby food assistance and rural agricultural development were required in many country contexts for achieving Millennium Development Goal 1. When relevant to national situations,

the three organizations worked together to jointly identify thematic coordination opportunities drawing on poverty reduction strategies. They also sought to work with national Governments and civil society, through national alliances against hunger where they existed, and to explore opportunities for thematic groups based on knowledge-sharing.

## **F. Emerging issues on the agenda of the Chief Executives Board**

### **1. Support to African development**

39. CEB reviewed current economic and social trends in African development and the serious problems that many African countries continued to face in their efforts to achieve the Millennium Development Goals and recalled its earlier decision to place African development as a regular item on its agenda.

40. With the midpoint target date to meet the Millennium Development Goals approaching fast, it was incumbent on the United Nations system to make a strong renewed effort to revitalize its common endeavours in support of Africa. CEB concurred with the need to adopt innovative approaches to addressing African development in the future. The Board called for an inclusive preparatory process to the CEB discussions engaging, as necessary, outside experts to develop clear analyses and specific action-oriented recommendations to strengthen the system support to African development for further consideration by CEB. The Secretary-General observed that the gap between developing countries, particularly in Africa, and the developed world, rather than narrowing, appeared to be widening. At the same time, some countries, including some African countries, were registering very encouraging progress in the path towards the Millennium Development Goals. CEB agreed that Africa should be on the agenda of the next CEB session and the consideration of the issue should proceed on the basis of a thorough preparation for that discussion. CEB also decided that the specific implications for Africa of the Board's discussion on thematic issues should be highlighted.

### **2. Climate change**

41. CEB was informed of the initiative of the Secretary-General to address the issue of climate change both through high-level envoys and through the possibility of convening a high-level meeting at the forthcoming session of the General Assembly. A wide-ranging discussion was undertaken by CEB on the scientific evidence emerging from the Intergovernmental Panel on Climate Change and the need for the Board to develop a clear system-wide approach and strategy to address the multifaceted challenges of climate change. The importance of a full preparation for the next session of CEB to be undertaken by the High Level Committee on Programmes was highlighted, as well as the cluster of executive heads most involved in that issue. CEB agreed to put climate change on the agenda of its regular session in fall 2007.

## **III. Management issues**

42. CEB continued its consideration of management issues in a more integrated and concrete fashion over the 2006/07 period with the support of its High-level

Committee on Management. The Committee and its networks had recently given considerable time and attention to the subject of management harmonization and reform within the competence of United Nations system executive heads, with the aim of sharing information, avoiding duplication of efforts, identifying successful experiences as benchmarks and setting common directions for future work. In a new environment which called for a focus on delivery and results, there was an increased need for adjusting the management of United Nations system organizations to the new environment. A strong internal commitment to deliver was creating a very positive momentum for harmonized management reform throughout the system. The system-wide adoption of international public sector accounting standards offered further impetus for the United Nations system organizations to work together.

43. In the area of information and communication technology (ICT), the High-level Committee on Management had established an ICT strategic framework which included a range of initiatives intended to strengthen cooperation on ICT-related activities among the organizations of the United Nations system. Two areas addressed in particular were enterprise resource planning and ICT training. The overall objective in the Committee on the concept of common shared ICT services was to find ways for providing enhanced services at lower cost instead of each organization investing heavily and separately in its own ICT infrastructure.

44. Concerning the safety and security of staff, at its fall 2006 session the Board took note of progress made by the Department for Safety and Security since its establishment and the consultative approach adopted by the Department within the framework of the inter-agency security management network. The network had made specific recommendations concerning the production and launch of an inter-agency learning course on advanced security in the field and the development of a training package for inclusion in the forthcoming workshops for field security officers on how to cope with mass casualties, the improvement of security measures for women and cooperation of non-governmental organizations. The High-level Committee on Management had established a technical working group for reprioritizing the activities of the Department and corresponding funding mechanisms to meet the objectives set for 2008-2009 within the 2006-2007 cost-shared budget ceiling and to develop an effective surge capacity should resources become available.

45. CEB expressed satisfaction that the focus of the Committee's work had increasingly shifted from administrative matters to management policy, and called for further efforts to coordinate more closely with the work of the United Nations Development Group concerning management issues at the country level.

46. A number of important and emerging issues were on the Committee's agenda at its spring 2007 session, as outlined below.

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

47. Extensive discussions had taken place within the High-level Committee on Management on harmonization and reform of business practices. The approach taken to the reform of business practices in the United Nations system was to be driven by programme priorities rather than by bureaucratic considerations and would be based on clear business logic and demonstrated system-wide benefits,

concentrating on areas of harmonization and reform within the purview of executive heads.

48. A comprehensive proposal for the reform and harmonization of United Nations system business practices was being developed within the High-level Committee on Management. The proposal addressed six major categories: cross-cutting areas of general management; accountability and oversight; data warehouses; human resources management; financial management and knowledge-sharing.

49. A coherent approach focusing on the six areas identified would eventually constitute a draft action plan on United Nations business practices geared to provide a comprehensive approach to enhancing system-wide coherence. The Board was informed that the High-level Committee on Management had heard the views of staff representatives who 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 who had asked for a regular consultation process. The Board considered that the success of the initiative would ultimately depend on the leadership and will of executive heads who should provide a strong mandate in that regard to their heads of management attending the High-level Committee on Management. The Committee had set up an intersessional task force to take the matter further in order to develop a full-fledged action plan for CEB endorsement at the fall 2007 session.

50. The Board expressed strong support for that initiative as an important element of the drive towards greater system-wide coherence and recalled that the harmonization of business practices had emerged as a central recommendation of the High-level Panel on System-wide Coherence. 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 it at its fall 2007 session. The Board also endorsed a proposal of High-level Committee on Management for the preparation of a study by the CEB secretariat on the functioning of the International Civil Service Commission for the Board's subsequent consideration.

## **B. Confidentiality of internal audit reports**

51. The High-level Committee on Management reviewed current practices within the system for sharing information contained in internal audit reports through its finance and budget network. In that regard, initial criteria that could serve to guide the exercise were under consideration with a view to establishing a common approach to disclosure of information contained in internal audit reports. Further consultations would be held within the community of internal auditors and the Finance and Budget Network and the eventual criteria 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 of United Nations system organizations.

52. CEB underlined the importance of internal audit reports as a vital management tool for executive heads as well as the need to distinguish between internal and external audits and their separate functions. The need to preserve the integrity of the internal audit as a management tool was acknowledged and, at the same time, the Board also acknowledged that the system was faced with growing demand for transparency and accountability to which it had to respond. CEB would revert to

that matter at its forthcoming session on the basis of further consultations by the High-level Committee on Management.

### **C. United Nations security management system**

53. The Board reviewed the financing of the United Nations security management system and the pending agreement on the cost-sharing formula for the system. The Board noted that the only outstanding matter in that regard was the concurrence of the World Bank on the formula on the basis of further information to be provided by the United Nations. CEB expected a full agreement would be forthcoming on that important issue shortly.

### **D. Senior Management Network**

54. In line with the earlier discussion of CEB, the Senior Management Network and its Leadership Development Programme had been launched. The key objective of those initiatives was to inculcate among senior officials a new corporate culture to further system-wide coherence. Senior Management Network membership would initially consist of approximately 600 to 1,000 senior staff. The Board highlighted the need to strengthen the competencies and training of staff. The Board also noted in that regard, that further efforts to promote staff mobility were required and highlighted the need to strengthen staff training and its potential contribution to supporting staff mobility.

### **E. United Nations Convention against Corruption**

55. CEB agreed to study further the applicability of the principles and standards of the United Nations Convention against Corruption in order to combat corruption and strengthen institutional integrity and respond to demands for accountability system-wide. The Board requested the High Level Committee on Programmes and the High-level Committee on Management and its relevant networks to be actively engaged in pursuing the matter further with the United Nations Office on Drugs and Crime, with a view to establishing a concrete proposal for CEB.

## **IV. Cross-cutting issues**

56. During the reporting period, the High Level Committee on Programmes and the High-level Committee on Management continued the innovative practice of joint meetings that they had begun in 2006 in order to address cross-cutting issues from both a programme and a management perspective. Those meetings were intended to address major emerging issues relevant to the work of both committees that were of importance across the work of the United Nations system. Issues addressed included gender equality and gender mainstreaming, results-based management, the United Nations System Staff College, and the establishment of a United Nations system-wide evaluation mechanism.

## **A. Gender equality and gender mainstreaming**

57. The issue of gender equality and gender mainstreaming was considered by all executive heads as an area in which insufficient progress had been made and further change was required. To that end, the Special Adviser on Gender Issues and Advancement of Women presented the Board at its fall 2006 session with a proposed system-wide policy on gender equality and a strategy on gender mainstreaming.

58. CEB noted that commitment at the highest level and overall leadership and accountability were required to address gender equality and gender mainstreaming in the United Nations system. The evaluation of the system-wide action plan for the implementation of Security Council resolution 1325 (2000) on women, peace and security had validated the various analyses carried out among inter-agency bodies and had identified deficiencies that existed in those areas as a main obstacle to progress. CEB endorsed the policy on gender equality and the strategy on gender mainstreaming as a first step in a new effort to meet the challenges facing the system in that area.<sup>1</sup>

## **B. Results-based management**

59. CEB agreed that results-based management was a key part of the effort to reform the business practices of institutions throughout the United Nations system. It decided to expand its analysis of the subject to include the related issue of performance management, in order to review the incentives that existed within the system to enhance performance.

## **C. United Nations System Staff College**

60. The Board addressed the establishment of a new curriculum and business plan for the United Nations System Staff College (UNSSC) on the basis of preparations by the High Level Committee on Programmes and the High-level Committee on Management. It was noted that a strong Staff College designed to nurture a common staff culture rooted in common values was essential in sustaining the effort towards system-wide coherence.

61. Three main areas of concentration for the work of the College had been identified:

(a) Senior Management Network: training tailored to meet requirements of senior United Nations managers;

(b) Peace and security: the College had been working on a special agreement with the Department of Safety and Security and other entities for training mission leaders. Actual training of trainers had already been initiated;

(c) Training programme for resident coordinators: the programme was ongoing and would be expanded to include country teams together with national teams.

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<sup>1</sup> For further information, see CEB/2006/2, annex.

62. CEB members expressed appreciation for the new directions being taken by the Staff College and committed the system to making full and effective use of its facilities as an integral part of the renewed effort to advance a learning culture system-wide.

#### **D. Establishment of a United Nations system-wide evaluation mechanism**

63. The United Nations Evaluation Group had prepared a proposal for the joint High Level Committee on Programmes-High-level Committee on Management spring session 2007 concerning the establishment of a United Nations system-wide evaluation mechanism linked to CEB to fill the current gap concerning evaluation of system-wide processes. It was stressed that such a mechanism must be independent in order to be credible and must at the same time meet the priority needs of its stakeholders. In order to advance transparency, accountability and learning, such a mechanism would promote the quality and independence of all United Nations evaluation work, foster harmonization of evaluation systems across the United Nations, undertake evaluations of system-wide strategic issues, and promote the development of evaluation capacity in member countries, including the promotion of a culture of independent evaluation to enable them to take the lead in the evaluation of programmes at the country level.

64. The High Level Committee on Programmes and High-level Committee on Management jointly endorsed the approach suggested by the United Nations Evaluation Group and emphasized that on the basis of the subsidiarity principle, work should be undertaken within the evaluation system at the most appropriate level.

#### **V. Review of the functioning of the United Nations system Chief Executives Board for Coordination**

65. At its October 2006 retreat and in the framework of broader discussions on the reform of the United Nations, CEB began a reflection on the future challenges facing the multilateral system, as well as the need to improve system-wide coherence. In the course of a wide-ranging discussion, the central importance and potential of CEB as an instrument for improving coherence across the system was underlined. Executive heads agreed that a new opportunity existed to undertake a more ambitious approach to strengthening the relevance and functioning of CEB. On behalf of CEB, the Secretary-General requested the directors-general of ILO and WTO to lead a review of the functioning of CEB and to report back the preliminary recommendations for consideration at the CEB meeting in April 2007.

66. An extensive consultative process involving all executive heads was undertaken by the directors-general of ILO and WTO, including comprehensive written inputs from executive heads. The overall exercise was carried out by executive heads themselves, marking a difference with previous reviews of CEB. The central conclusion of the exercise was that if CEB was to become a stronger and more effective instrument for inter-agency coordination it would require the investment of more time and the direct involvement of executive heads supported by an integrated CEB structure incorporating policy, management and operational

issues. The review was an important step forward in the evolution of CEB in the ownership and management of system-wide coordination under the leadership of the Secretary-General.

67. Consultations undertaken in the course of the review resulted in a common view that a major overhaul of CEB was not necessary, but that the review should envisage an incremental process of tightening the work of CEB and its machinery over the next two to three years on the basis of a pragmatic approach. CEB members acknowledged the critical role of CEB as a unique body of the multilateral system bringing together under the aegis and leadership of the Secretary-General, the executive heads of the specialized agencies, the World Bank, the International Monetary Fund, WTO and relevant United Nations entities, funds and programmes. As the apex inter-agency mechanism, CEB should provide inter-secretariat policy guidance by the chief executive officers of the secretariats of the organizations of the system. In that regard, individual mandates, respective strengths, capacities and areas of action, as well as different governance structures and constituencies of member organizations, needed to be recognized and respected.

68. A number of key issues were identified as central to the functioning of CEB. The first was the harmonization of business practices, systems and procedures across the system which was seen as being of primary importance. A second broad area identified was that of global policy issues. CEB would define and select a limited number of cross-cutting policy issues of concern to the whole system, to which it could make a specific contribution over the next two to three years. There was strong support for action to be taken immediately on climate change, fair and equitable globalization, gender equality and support to African development.

69. With respect to the third area of country operations, it was noted that with reform efforts for increased system-wide coherence and the focus on country-level results, operational activities should become an integral part of the major responsibilities of CEB, connecting with that policy, programme and management functions and seeking mutual support and reinforcement across them. While CEB should develop an overall monitoring capacity, it would not involve itself in specific country activities. A fundamental principle underlying that approach would be to bring the normative work of the United Nations and its country work closer together with the ownership of all relevant organizations. That was seen as critical given the new responsibilities expected of the resident coordinator system as lead representative of the United Nations system at the country level. In that regard, CEB endorsed the proposal for the integration of the United Nations Development Group within the CEB framework.

70. It was agreed that an integrated high-level committee structure would underpin the role of CEB as the pinnacle of inter-agency coordination and bring together vertical and horizontal coordination at the global, regional and country levels across the wide spectrum of mandates and expertise of CEB members.

71. A number of steps in the CEB review process were identified for the next stage of the review, including the mapping of all inter-agency coordination mechanisms, and further analysis of coherence and the different dimensions of policy coherence. CEB would also look at the financing of CEB, including the level of funding required for the appropriate functioning of CEB and its machinery. Finally, the review would also examine ways to strengthen Secretariat arrangements to appropriately service and provide substantive and logistical support to CEB, its

clusters and committees and their interlinkages; improve reporting and transparency to intergovernmental bodies; and monitor the implementation of decisions.

72. CEB had endorsed the general principles contained in the proposal for its review and outlined specific measures to continue the review process. The High-level Committee on Management was required to proceed with the finalization of a plan of action for harmonization and reform of business practices and to develop proposals on dealing with additional functions proposed for it in managing country-level operations and monitoring resource flows to the system. The High Level Committee on Programmes was tasked to proceed with its work on global policy issues and make proposals for the consideration of CEB on the sequencing of issues for future CEB sessions. The High Level Committee on Programmes would also propose a methodology for the analysis of mandates and duplication and the study of different dimensions of policy coherence. With regard to the work of the three committees and the integration of the United Nations Development Group into CEB, the chairs of the three committees were asked to develop a set of proposed arrangements for the further consideration of CEB.

73. The review was seen as the first step in developing a far-sighted strategic vision for CEB based on a pragmatic approach with the intention of seeking concrete improvements within a two to three year period. Executive heads, in proceeding with the review, showed their commitment to assume fully their responsibilities in the ownership and management of CEB. The review took a holistic approach to the task of CEB which encompassed the main global policy issues faced by the multilateral system, its common managerial challenges, and the provision of guidance and oversight for country operations.

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