

The UN contributed its neutral partnership to helping Afghanistan carry out a successful presidential election in 2004—the first in 20 years. UNDP played a key role in assisting with registering voters, setting up polling stations, and, after the polls closed, tallying the votes at counting centres like this one in Kabul.

A Renewal of Global Trust

At the dawn of 2005, two dramatic events sent an undisputed message about the value of well-coordinated international support and the central role of the United Nations. After the giant waves of the tsunami crashed over coastlines from Southeast Asia to East Africa, causing 175,000 deaths and displacing 1.75 million people, the response needed to be massive and fast, but without overwhelming the strained capacities of affected countries.

Governments, relief agencies and NGOs turned to the UN to coordinate the many multinational efforts that followed, because only the UN had existing relationships with everyone involved. In Aceh, the hardest hit region, UNDP and other UN relief and development agencies were on the ground within hours to help people, providing food, shelter and health care. As recovery got underway, UNDP set up programmes such as a cash-for-work initiative to clear the rubble. We helped 10 working groups of national and international partners from different areas of expertise consolidate their plans into a longer-term reconstruction programme.

Then in Iraq, the success of the January election emerged from the willingness of a broad spectrum of partners to transcend political differences. The UN as a system lent credibility and a neutral space to work through these, helping draft a new electoral law and form the Independent Electoral Commission, which ran the election. Different UN agencies threw their collective energy into stirring hope in a new democracy, achieving the kinds of concrete development results that encourage people to envision a brighter future. UNDP and others, working through national partnerships, helped put in place basic building blocks: voter registration, electricity and water, immunization for children.

"The best way to guide the agenda of globalization is through multilateralism. It is in the strengthening of multilateralism that each country has a stake and a national task to fulfill."

Ricardo Lagos Escobar, President of Chile

Almost by default, situations like the tsunami and Iraq call for people to work together, quickly fulfilling immense needs. But well-coordinated international support in all development situations is also a requirement for realizing the high ambitions of the MDGs, ensuring that new resources work as efficiently as possible in improving the lives of people across the board. For this, developing countries and their international partners are radically changing some of the ways they do business. UNDP plays an indispensable part in leading this transformation of development cooperation, through our roles as the home of the Resident Coordinator system, which manages the teams of UN agencies working in many countries, and the coordinator of the UN Development Group (UNDG), the umbrella for all of the major UN development organizations.

Reforming the UN

For several years, the UN as a whole has been intensely focused on how it can optimize its contributions to both security and development, and increase its accountability to the people it was designed to serve. Ongoing reform has been an evolution, never bypassing the UN's primary responsibility to promote peace and social progress, and affirm



With well-established relationships with governments, relief agencies and NGOs, the UN was the logical choice to help coordinate the massive multinational response to the tsunami. On the island of Maafushi in the Maldives, a fisherman restores his boat, a sign that life is returning to normal.

human rights. It has also been a revolution, transfiguring the way the UN operates to forge a system that best responds to a changing world. In late 2004, the 191 governments of the UN General Assembly issued the Triennial Comprehensive Policy Review, a guide for the UN development agencies that affirmed these directions. It elaborates principles that UNDP has consistently advocated—capacity development, and common programming based on the MDGs and framed within national development plans.

During 2004, chaired by the UNDP Administrator, the UNDG accelerated its pace of change, aiming for a stronger collective impact by simplifying procedures and targeting activities where UN agencies are most effective. A growing number of UN country teams are now using tools developed by the group to harmonize their different programming cycles, and plan together one coherent, results-based UN strategy linked to national plans and the MDGs. New programming instruments guide agreements between national governments and the agencies on specific actions and lines of accountability. The UNDG has loosened rules that inhibited some agencies from directly supporting national government initiatives through contributions to national budgets.

For countries in crisis, the UNDG has partnered with the World Bank and GTZ, the German Agency for Technical Cooperation, to develop a handbook for carrying out post-conflict needs assessments—which UNDP helped orchestrate in 2004 in Haiti, Liberia and Sudan. The three organizations have also pioneered a new system to prioritize actions for a successful transition from conflict or a natural disaster that was first deployed in the response to the tsunami.

On the operations side, the UNDG adopted a uniform approach to cash transfers in 2004, so that national partners can work with one method rather than many. It agreed to use more national systems for procurement, rather than the more typical practice of setting up parallel arrangements. Through a common services programme, UNDG agencies are now pooling their resources into cost-effective joint systems for managing travel arrangements, staff training, transport, and medical and mail services. A number of country teams share common office premises as well. Some countries with smaller programmes are rolling out a unified office pilot where the UNDG agencies are integrating all facilities and services, while the Southern Africa region is experimenting with a unified regional structure. UNDP, in a separate initiative, now hosts representatives of the UN Industrial Development Organization within its offices in 20 countries; the two agencies have also set up a joint private sector development programme in a dozen countries.

The UNDG agencies have actively solicited feedback as UN reform moves forward to ensure that their contributions to it remain on track. Governments have responded positively to harmonization, saying that it is reducing their costs for managing development assistance. The emphasis on their leadership is increasing interest and engagement, and encouraging mutual respect between donors and recipients. However, an external review of five pilot countries where UN harmonization has gone furthest also identified problems related to coordination, quality control and different understandings of results-based management—all issues that the UNDG will now begin to deal with.

Among the agencies of the UNDG, UNDP carries a particular responsibility as the overseer of the Resident Coordinator system. In 2004, we sought to bring new candidates into the system from other agencies, and to boost the numbers of women and candidates from southern countries. Much has been achieved through training and recruitment that places a strong emphasis on collegial leadership and team building. But in some countries, particularly those with complex programmes or undergoing some form of emergency, Resident Coordinators must contend with extremely heavy workloads—they also continue to manage the national office of



their individual agency. In 10 crisis countries where the Resident Coordinator is also the UNDP Resident Representative, UNDP has already funded a separate UNDP Country Director post, allowing the Resident Coordinator to focus full-time on the UN country team. In 2005, this system will expand to up to another 10 countries.

Closer International Cooperation

UN reform contributes to growing global impetus around fine-tuning international assistance overall, and as the UN's principal development organization, UNDP leads in this larger arena as well. In early 2005, we helped convene the World Bank, European Commission and the OECD/Development Assistance Committee (DAC) to agree on common principles for fighting poverty in fragile states, where weak governance and institutions make it hard to deliver support that may be a lifeline for millions of people. At a forum on partnership for more effective development cooperation, held by UNDP and OECD/DAC, representatives from the latter met for the first time in eight years with a wide range of non-OECD governments and institutions involved in development cooperation. They endorsed the growing levels of cooperation between nations of the South, and singled out UNDP as well placed to facilitate collaboration between OECD and non-OECD countries.

Both of these meetings directly fed into the High-Level Forum on Aid Effectiveness, a major global meeting that brought together ministers from developing and developed countries. In the Paris Declaration on Aid Effectiveness, a follow-up to a 2003 agreement struck on aid harmonization in Rome, they agreed that while the volume of development resources overall must rise, aid must do more to support national capacities for stronger governance and improved development performance. They called for aligning aid with national priorities, simplifying procedures and ensuring more consistent flows of funds.

UNDP is well-positioned to continue making contributions to this process of closer international cooperation. We will draw on our history of trust and partnership with both developing and developed countries, and bring our expertise on capacity development to the work of the UN development system at large. Today, we stand on the stronger platform being built not only by the changes in the UN and international assistance systems, but also by our own extensive internal reform.

Iraq: UN Clusters Sow the Seeds of Peace

The August 2003 bombing of UN headquarters in Baghdad was a tragedy that forced the withdrawal of UN staff from Iraq. But despite the shock and sorrow that followed, the country's monumental humanitarian and development needs meant that the UN continued working from a temporary base in Amman, Jordan, and planning began almost immediately to return. Given the extreme dangers, and with the UN now an obvious target, there was no question of reverting to the former style of operation, where each agency ran its own programme.

Seeking to maximize benefits to the Iraqi people, make the most of its own capacity and maintain high standards of security, the UN country team came up with an innovative strategy that had never been used before. All agencies agreed to work closely together in 10 clusters. They would pool operational resources, rotate small numbers of international staff in and out of the country, and rely more extensively on the considerable talents of national staff members.

Including basics such as electricity, water and sanitation, health and governance, the clusters were fashioned around issues identified in a 2003 needs assessment carried out by

the World Bank, UN and Iraqi experts. An eleventh cluster was added on electoral assistance as Iraq prepared for its election. By early 2004, the country team had appointed one agency to lead each cluster, delegating responsibility based on where organizations could make the strongest contribution. UNDP now leads four clusters: infrastructure and housing, mine action, governance and civil society, and poverty reduction and human development. A separate Emergency Response Working Group, comprising the UN agencies as well as NGOs, the Red Cross, the Red Crescent and Iraqi ministries, coordinates specific responses to humanitarian flashpoints, particularly in assisting thousands of internally displaced people.

Within the clusters, agencies work collaboratively. They combine their different areas of expertise to quickly and comprehensively respond to urgent needs as they arise, and adjust to national priorities as they evolve. This approach benefits the Iraqi government because newly formed ministries work with a unified group of agencies, rather than having to track an array of individual projects. To streamline funding, agencies apply through their cluster for project funds that are dispensed from the International Reconstruction Fund Facility for Iraq. Launched in early 2004, the fund was created to allow the World Bank and the UN to channel donor contributions to Iraq. The UN side, administered by UNDP, had disbursed nearly \$500 million to cluster-led development projects by early 2005.

Even though it has still not re-established a full-scale physical presence in Baghdad, and conditions remain difficult, the UN has been able to achieve some tangible successes in Iraq—such as short-term employment, houses for internally displaced people, millions of school kits for children and revamped electricity grids. These are the seeds of peace. With expectations rising after a successful election, the government and the Iraqi people can help them grow into a stable transition to freedom and self-determination.

An Iraqi woman's purple finger is proof that she has cast her ballot in Iraq's elections in January 2005, the country's first free poll in half a century. A closely-knit UN team played an essential role in preparations for the voting, and continues to support Iraq's efforts to get its development back on track.