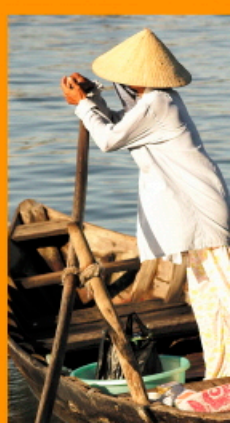




ANNUAL REPORT 2006



UNDP
Regional Centres
in
Bangkok and Colombo
Serving Asia and the Pacific



Annual Report 2006

**UNDP
Regional Centres
in
Bangkok and Colombo**

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Abbreviations

ACT	Accountability and Transparency Project
ADB	Asian Development Bank
APDIP	Asia-Pacific Development Information Programme
APHDR	Asia-Pacific Human Development Report
APJRF	Asia Pacific Judicial Reform Network
APRI	Asia-Pacific Regional Initiative
ASEAN	Association of South East Asian Nations
BBC	The British Broadcasting Corporation
BDP	Bureau for Development Policy
CD	Capacity Development
CDiA	Capacity Development in Action Services
CDM	Clean Development Mechanism
CEDAR	Capacity for Efficient Delivery of Achievable Results
CFCs	Chlorofluorocarbons
CNN	Cable News Network
CoPs	Communities of Practice
COs	Country Offices
CPR	Crisis Prevention and Recovery
CSOs	Central Statistical Offices
CSOs	Civil Society Organizations
DFID	Department for international Development UK
DRM	Disaster Risk Management
E&E	Energy & Environment
EFG	Environment Financial Group
GEF	Global Environment Facility
HACT	Harmonized Approach to Cash Transfers
HDI	Human Development Index
HDIA	Human Development Impact Assessment
HDRU	Human Development Reports Unit
HRBA	Human Rights Based Approach
HQ	Head Quarters
ICT	Information and Communication Technology
ICT4D	Information and Communication Technologies for Development
IFAD	International Fund for Agricultural Development
IGES-Japan	Institute for Global Environmental Strategies, Japan
ILO	International Labor Organization
IOSN	International Open Source Network
IUCN	International Union for Conservation of Nature and Natural Resources

KM	Knowledge Management
KST	Knowledge Services Team
LDCs	Least Developed Countries
MDG-I	Millennium Development Goals Initiative
MDGs	Millennium Development Goals
MFF	Mangroves for the Future
MoU	Memorandum of Understanding
MP	Montreal Protocol
MPRP	Macro Economics of Poverty Reduction Programme
MPT	Management Practice Team
NHDR	National Human Development Report
PEI	Poverty & Environment Initiative
PPSD	Programme for Private Sector Development
PSAs	Public Service Announcements
RBAP	Regional Bureau for Asia and the Pacific
RBAS	Regional Bureau For The Arab States
RCB	Regional Centre in Bangkok
RCC	Regional Centre in Colombo
RCPO	Regional Chief Procurement Officer
REP-PoR	Regional Energy Programme for Poverty Reduction
RM	Resource Mobilisation
SAARC	South Asian Association for Regional Cooperation
SAFTA	South Asian Free Trade Agreement
SIDS	Small Island Developing States
SLM	Sustainable Land Management
SMF	Simple Macroeconomic Framework
TAG	Trade Affinity Group
TTF	Thematic Trust Fund
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCRD	United Nations Centre for Regional Development
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational Scientific and Cultural Organization
UNESCO-IOC	UNESCO Intergovernmental Oceanographic Commission
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNDAF	United Nations Development Assistance Framework
WFP	World Food Programme
WHO	World Health Organisation
WTO	World Trade Organisation

Part 1

Introduction

This 2006 Annual Report represents the first joint review of the work of the UNDP Regional Centres in Bangkok and Colombo. It is organized into four parts: Part 1 provides the overall regional development context within which the two Centres operated in 2006, while Part 2 highlights key achievements. Part 3 reflects on organizational and management issues. Finally, Part 4 looks at future opportunities and challenges based on lessons learnt in 2006.

The Regional Development Context

Dynamism, inequalities and resilience are defining a new Asia-Pacific. As other developments riveted the world's attention, Asia witnessed its own upheavals: constitutional crises in Fiji, Thailand and Timor-Leste that underscored the fragility of democratization; the nuclear ambitions of the Democratic People's Republic of Korea and Iran; a resurgent Taliban in Afghanistan and a sharp upturn in civil war in Sri Lanka. The region also saw some positive developments, with Bhutan embarking on an indigenous democratization process and with Nepal averting a potentially debilitating and violent crisis and the parties entering into a constitutional dialogue.

Trade, massive build-ups of foreign exchange reserves and foreign direct investment combined to sustain the dynamism, deepen economic integration and expand regional cooperation. As a result, the economies of the region's two largest countries, home to 2.5 billion people, grew by more than 10 percent in 2006. Indeed, the dramatic growth of trade is cutting across geography, gender and occupations. FDI is pouring in: more than US\$72.4 billion for China alone. Beijing likewise has greater than \$1 trillion in foreign reserves, making it a major creditor in the global economy. A frenzy of bilateral and regional free trade agreements has important implications not only for the multilateral trading system but also for human development in the region as a whole.

Amid the successes, dangerously rising inequalities represent the Achilles heel of Asia-Pacific and seriously threaten the region's overall achievement of the Millennium Development Goals (MDGs). Inequalities amongst and within nations have sharpened to where political stability is being undermined, and the limited gains of the Least Developed Countries have marginalized them in the global development debate.

Severe gender inequities still exist in many countries; violence against women is widespread across the region, and women's participation in governance and decision-making requires further strong improvement. More than 1 billion people in Asia-Pacific lack access to energy, putting additional stress on the natural resource base. China and India's growing demand is having an impact on global energy prices, which is in turn putting fiscal pressure on many other countries, especially poorer nations in the region. As fossil fuel demand rises, climate change is making its impact felt more and more, with severe flooding and drought. At the same time, the HIV epidemic continues to spread, with three major characteristics in the region: increasing numbers of women are infected; stigma and discrimination against people living with HIV and AIDS remains rampant; and access to essential HIV and AIDS medicines is limited to fewer than 1 in 5 of those who need them.

On a more positive note, the resilience of the continent is reflected by the manner in which it has coped with devastating and increasingly frequent natural disasters. Indeed, the Indonesian response to the 2004 tsunami has demonstrated a strategic vision that is exploiting physical reconstruction to build potential for a lasting peace in long-suffering Aceh. And while the earthquake in northern Pakistan and India has not advanced peace in Kashmir as extensively, the event has served as a reminder of the common human bonds that remain deep, despite persistent tensions.

UNDP, like other development agencies, is supporting countries during a changing environment of development assistance and finance. Poverty reduction initiatives are becoming all the more difficult to implement. New sources of finance are becoming available and must be tapped. Among them are private philanthropists, often linked with government support in areas such as global funds for AIDS, tuberculosis and malaria; international private flows, through the Clean Development Mechanism of the Kyoto Protocol; and new donors from emerging economies such as China, Thailand and the Republic of Korea, as well as the countries of the Middle East.

With a greater emphasis on the coherence among international development agencies, the United Nations' ambitious "One UN" agenda is shaping the work of the Regional Centres. This work, and the Centres' sharpened programmatic and operational roles, thus support the four strategic priorities identified by the Administrator:

- Helping guide globalization toward inclusive growth and sustainable development
- Leadership and operational effectiveness in crisis prevention and recovery
- Democratic governance, capacity development and institution building
- Enabling a decentralized United Nations System to become more agile in its delivery, disciplined in its use of resources, and better able to regularly demonstrate significant results

We now turn to the ways in which this was operationalized by the Regional Centres in Bangkok and Colombo during 2006.

Part 2

Achievements in 2006

2.1 Overview of Achievements and Services in 2006

A. Key Achievements

Influencing Development Policy and “One UN” agendas

The Regional Centres introduced a strong UNDP flagship brand in 2006, the Asia-Pacific Human Development Report, which represents a noteworthy annual regional public good. Based on external responses, the APHDR is proving instrumental as a regional platform for furthering an intellectual and advocacy agenda that supports and goes beyond the Millennium Declaration. The policy and advocacy impact has been considerable, both in the region and internationally, with 160 print and broadcast articles and nearly 18,000 web page loads in the last six months of the year. The Centres' efforts behind the MDG Initiative, as a part of the “One UN” reform agenda, also came to the fore as a step toward deepening relations with United Nations Agencies around substantive issues. MDG-I provides support to Resident Coordinators and United Nations Country Teams, which as a whole, contributes a wealth of collective policy and institutional support to countries. Continued training workshops on costing, financing and modeling, are being organized exclusively for United Nations Agencies.

Building Coalitions to Fight Corruption in Asia-Pacific

2006 saw the initiation of an “Integrity in Action” Community of Practice that will serve as a forum for sharing and consolidating knowledge and information in the area of corruption and for advocacy and capacity development. A comparative study on institutional arrangements for combating corruption was made available as a practical tool for UNDP and other development practitioners. To augment these efforts, a network of trained journalists reporting on corruption is being created through a series of hands-on media development workshops involving reporters chosen by Country Offices across the region. Two Public Service Announcements on corruption were produced, one of which has been recognized as a leading innovative knowledge product and has run both internationally and nationally. It continues to be used in a range of regional MDG conferences and training workshops. These efforts will be further augmented in 2007 with the publication of the APHDR on corruption, a topic chosen by the Management Board in 2006.

Cutting-Edge Analysis of the Impact of Trade Policies in Asia-Pacific

A range of case studies and papers were prepared in the areas of public finance implications of trade policy reforms in Asia-Pacific LDCs; bilateral investment treaties; WTO agreements; and human development impact assessments of trade policies. Many of these important papers have been used and cited by various organizations, including ADB, UNCTAD and UNESCAP. A Nobel Laureate recognized their merit and requested the Trade Team's support his work on investment treaties. In addition, two flagship capacity development events in the trade area were organized. UNDP Trade Focal Points from 20 Country Offices, in partnership with UNDP Cambodia, led to the creation of a Community of Practice called the Trade Affinity Group, resulting in a rise in requests for Country Office support in trade-related programmes. Furthermore, an inter-governmental training was held in cooperation with SAARC to strengthen capacity to implement the Agreement on the South Asian Free Trade Area.

Shaping Gender-Sensitive Policies

The absence of gender sensitivity in programme and project planning, along with monitoring and evaluation, emerged as a common issue across the region. The groundwork for an Asia-Pacific Gender Mainstreaming Community of Practice was set up to provide a substantive and technical platform for monitoring, compiling and analyzing gender mainstreaming initiatives in the region. The ultimate aim is to use the information-sharing capability to help shape strategic directions for gender-sensitive programmes. The Centres continued to highlight the current availability and uses of gender data and why it is necessary for policy formulation in poverty reduction, while an important initiative on gender-based violence prevention also was launched. At the country level, policy advisory missions and gender mainstreaming training extended support to a more than a dozen Country Offices.

Constitution Making in Asia

How is it possible to adapt a constitution after new developments call into question its principles and values? That was the essential issue explored through an innovative pilot training course on "Constitution Making in Asia," a partnership with International IDEA and the International Network on Constitutional Development. This knowledge-sharing opportunity included practitioners with extensive experience in constitution making; the 10-day intensive course covered both content and processes. Thirty participants from Maldives, Myanmar (including activists in exile), Nepal, India and Thailand offered their practical experience in constitutional affairs, including areas engaged in armed conflicts. They explored how constitutional provisions can address issues of discrimination and exclusion, which are often at the root of many contemporary conflicts, and how constitutions can acquire legitimacy and public consent.

Rapid Response and Disaster Risk Reduction

Following the earthquake in Indonesia, the floods in Thailand, and the landslide, oil spill and typhoon in the Philippines, the Centres responded immediately and rapidly to Country Offices. Working with United Nations Country Teams, the Centres undertook initial impact assessments and provided technical support to recovery coordination. Early-recovery projects also were developed. In Timor-Leste, governance and crisis prevention and recovery teams helped shape recommendations that the Secretary-General made to the Security Council on the future of the United Nations relationship to the country. The Centres facilitated Country Office resource mobilization efforts in support of minimizing conflict and emphasizing reconciliation efforts.

Confronting HIV Through a Range of Approaches

A regional consultation in HIV costing brought together top specialists to develop options and methodologies for undertaking effective studies on the socioeconomic impact of HIV and AIDS. A framework for this approach was developed for China, Papua New Guinea and Cambodia. Yale University also collaborated with the Regional Centres to study the socioeconomic impact of stigma and discrimination in the region. A further highlight was the completion of a three-year regional effort on human trafficking, which benefited more than half a million people through sharing of information

and capacity-building in South Asia. In fact, more than 300 trafficked women and girls were rescued through project support, and more than 8,000 are on their way to improved lives with assistance for small-scale business opportunities. In addition, the largest broadcasting initiative on HIV in the region was launched, in partnership with the Asia Pacific Broadcast Union, involving 16 national broadcasters and facilitated by BBC World Service Trust and CNN trainers.

Gender, Energy and Poverty

The Regional Centre in Bangkok published a report entitled *Will Tomorrow Be Brighter Than Today?* It shed light on gender concerns relating to energy for poverty reduction in the Asia-Pacific region. The absence of gender-sensitivity in programme and project planning, along with monitoring and evaluation, emerged as a common issue across the region. The report provides a number of policy options to mainstream gender concerns into national processes. It offers insights into how to bring better access to energy services for all.

Consolidation, Cooperation and Expansion

2006 proved to be a year of consolidation and expansion. All major gaps in staffing have been filled, and a more systematic relationship has been built between the staff of the two Regional Centres, substantially expanding information sharing as well as collaborative work. A major challenge for 2007 is how to ration and allocate the Regional Centres' resources, given the situation of high demand for services and an urgent need to establish transparent rules for prioritization of services.

Balancing Regional Public Goods Provision and Inter-Disciplinary Support to Countries

Lastly, 2006 exposed the pressure on Regional Centres to navigate the path between their twin mandates, providing both regional public goods and country-level support. The core strength of a country-based organization such as UNDP is the institutional framework of the Country Office, within a larger United Nations System. The focus on regional public goods therefore became stronger, while Country Office support efforts were delivered in a more integrated, inter-disciplinary manner. Even so, 2007 will require still sharper clarity on what is expected from the Regional Centres in order that both thrusts continue to be effectively addressed.

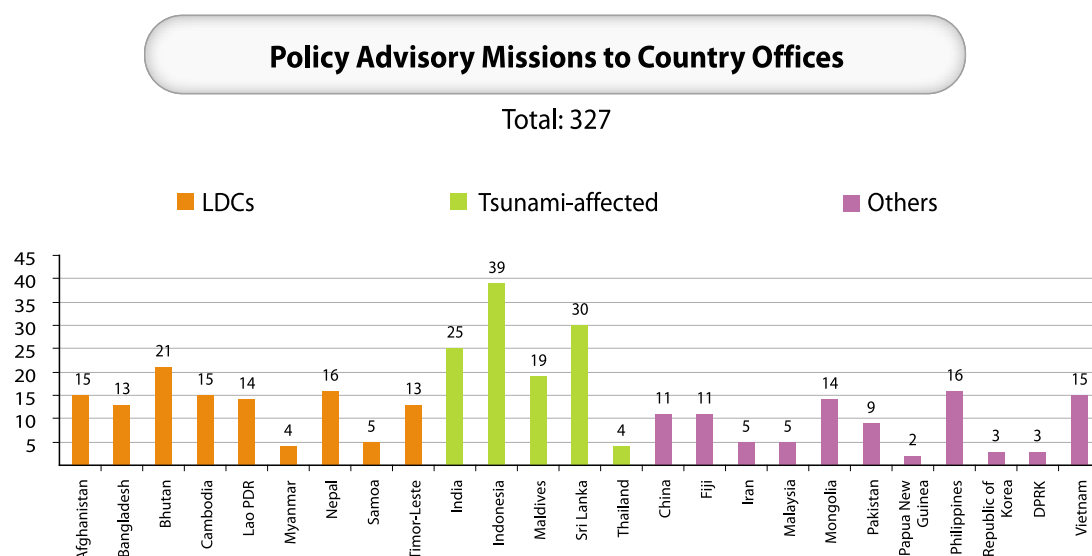
B. Major Products and Services Delivered

Policy Advisory Services

As part of the calibration of regional public goods and services to Country Offices noted above, policy advisory missions comprise a major component of Regional Centre support. These are requests by COs for missions to support interventions designed to influence government policy and that result in recommendations aiming to influence government action with respect to a UNDP development priority. Examples may include designing a national MDG strategy, advising programme formulation or supporting national consultations as a resource person. Policy advisory services also include missions requested to provide advice to help ensure the technical soundness or quality of an output that the client is responsible for delivering.

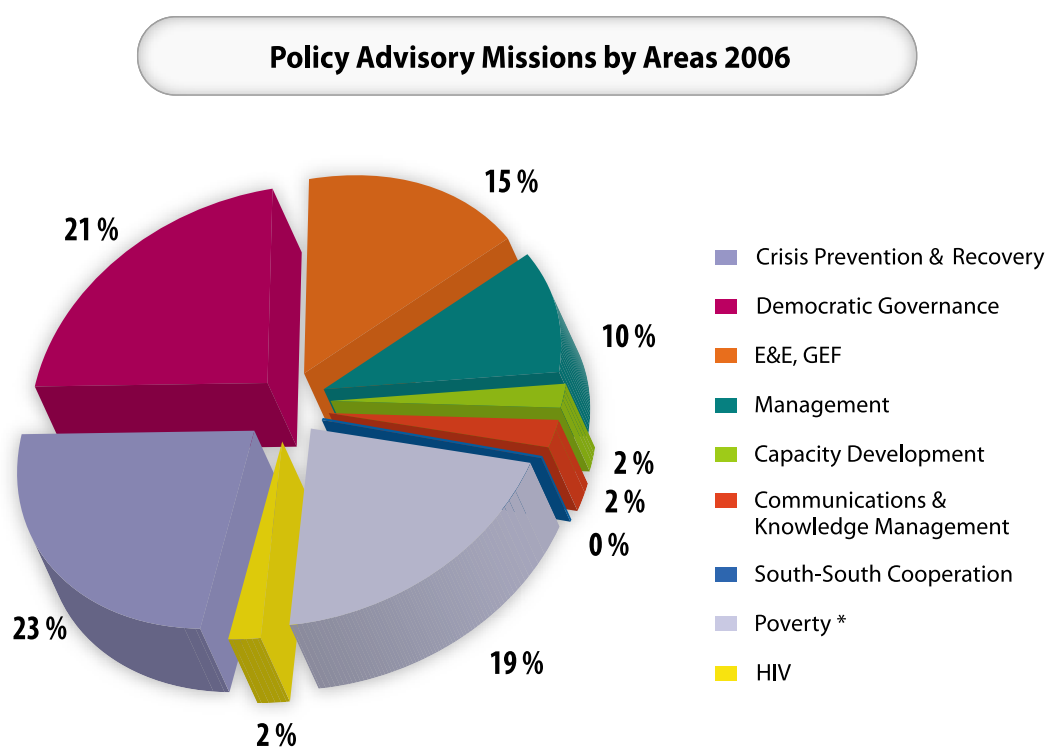
The Regional Centres undertook 327 country support and policy advisory missions covering all 25 Country Offices; of these, 77 percent were by the Regional Centre in Bangkok and 23 percent by the Regional Centre in Colombo.

Figure 1: Policy Advisory Missions to Country Offices by Regional Centres



Combined figures also show that, for the region as a whole, 23 percent of missions were in the area of Crisis Prevention and Recovery, followed by Democratic Governance (21 percent), Poverty (19 percent) and Energy and Environment (15 percent). Indonesia had the highest number of missions fielded with 39 missions.

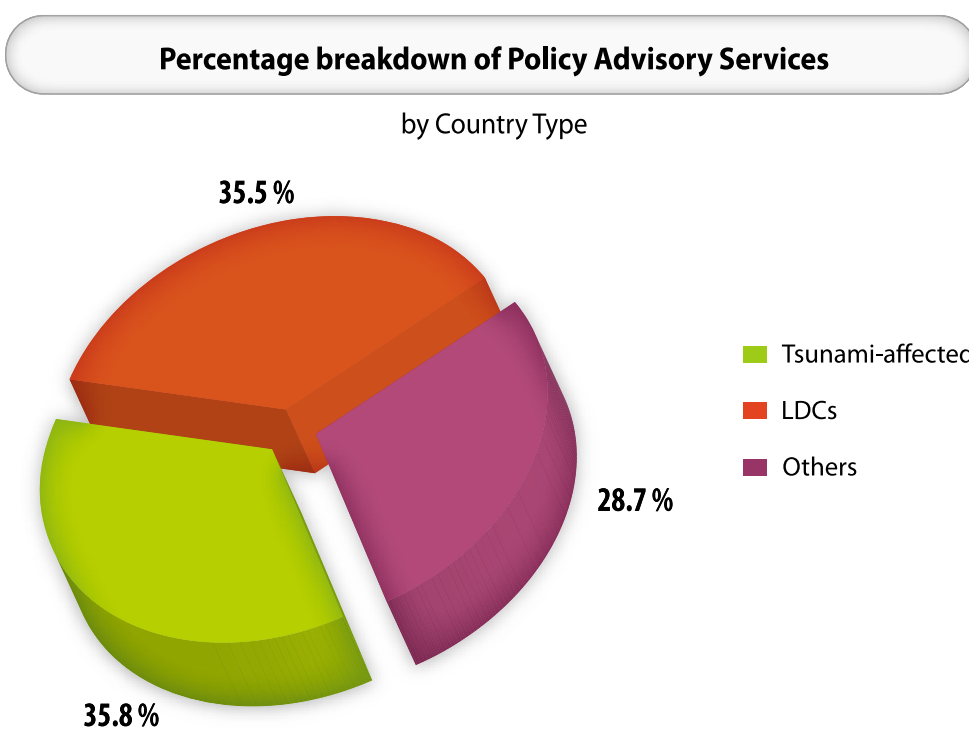
Figure 2: Percentage of Total Policy Advisory Missions by Areas



*Includes Trade, Human Development Report Unit (HDRU), MDG-I and Gender Equality

Among overall missions, 35.8 percent were to tsunami-affected countries, 35.5 percent were to LDCs and the remaining 28.7 percent to other countries in the region.

Figure 3: CO Missions, Percentage Breakdown by Country Type



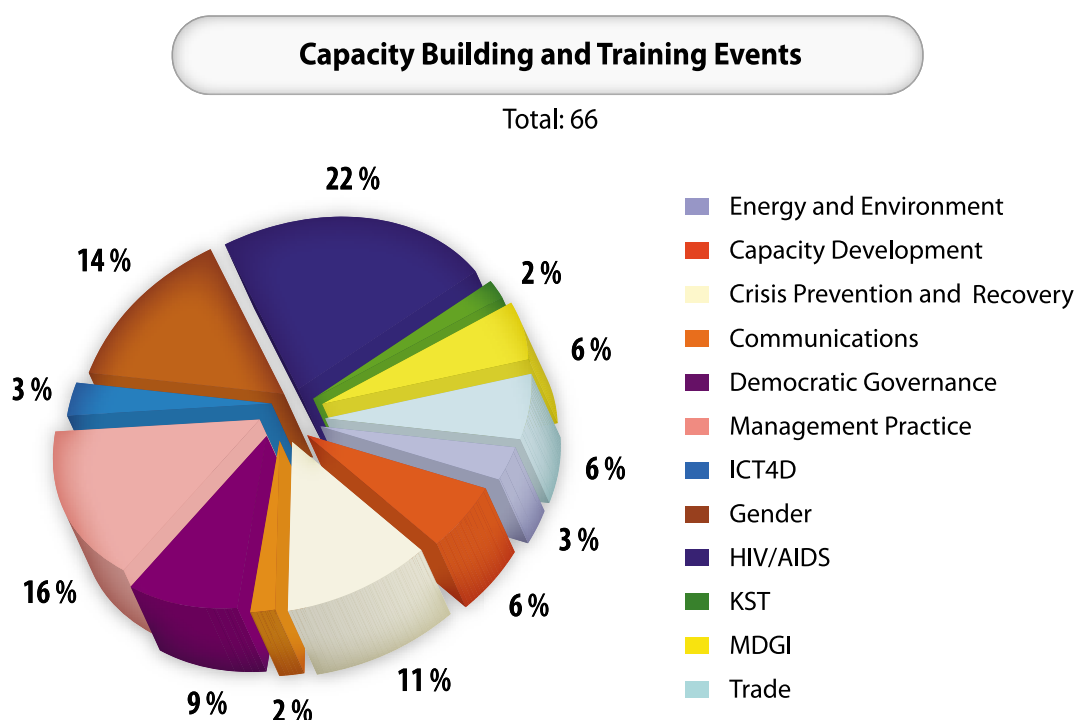
The Regional Centre in Bangkok fielded 251 missions to 24 countries in Asia-Pacific. Nearly 32 percent were in Crisis Prevention and Recovery, 29 percent in Democratic Governance, 21 percent in Environment and Energy/GEF and 14 percent in the area of Management. The highest number of missions was to Indonesia (33), followed by Sri Lanka (25) and India (23).

The Regional Centre in Colombo fielded 76 missions to 23 Country Offices. Of these, 30 percent were in the area of Trade, close to 24 percent in the MDGI, 18 percent in Gender Equality, 12 percent in Human Development Report Unit and 9.2 percent in HIV/AIDS. From Colombo, Mongolia, with 9 missions received more missions than any other country.

Capacity Building Events

Building capacity in the region is very important to the work of the Regional Centres in order to enhance capabilities and networking of Country Office staff, their Governments, civil society organizations and institutions in priority development areas. The two Centres undertook 66 capacity building events, 33 by RCB and 33 by RCC. The highest number of events was in HIV/AIDS, accounting for 22 percent of activities, followed by Management (16 percent), Gender Equality (14 percent) and Democratic Governance (9 percent).

Figure 4: Capacity Building and Training Events

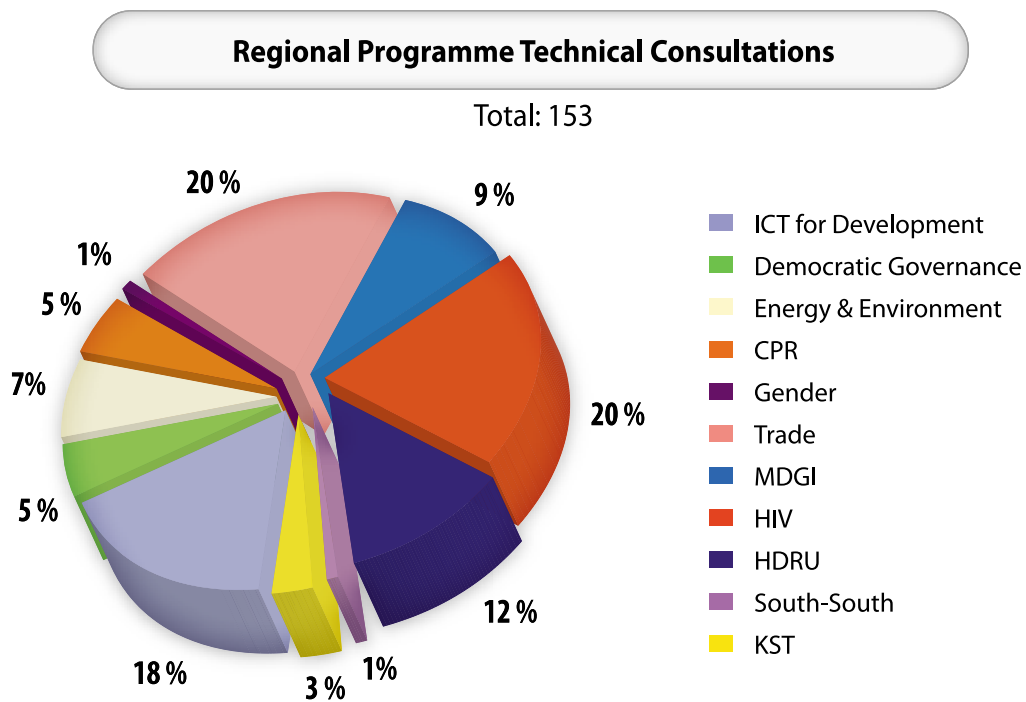


Regional Programme Technical Consultations

A further element of the Regional Centres' service delivery is technical consultations at the regional level. These are undertaken with critical stakeholders for input, endorsement, political or financial support on matters related to Regional Programme outputs and initiatives.

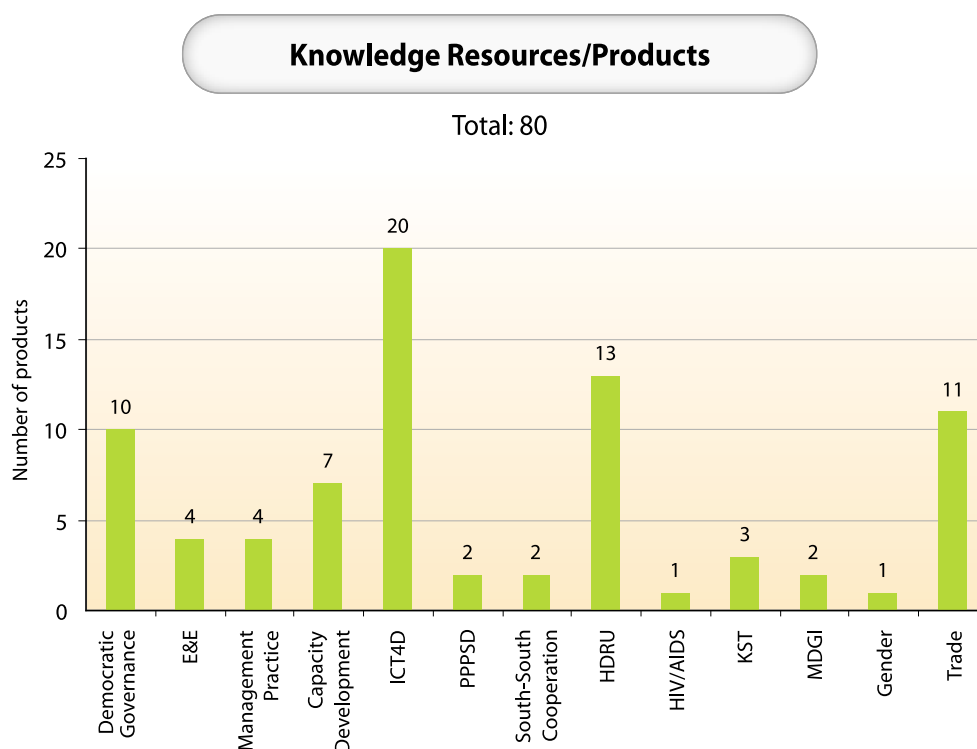
The two Regional Centres undertook or participated as key resource persons in 153 technical consultations during 2006, with RCC representing 65 percent and RCB representing 35 percent of consultations. For the region, Trade and HIV/AIDS held the largest number of technical consultations, at 20 percent each, followed by ICT for Development at 18 percent and the Human Development Report Unit at 12 percent.

Figure 5: Regional Programme Technical Consultations by Regional Centres



Knowledge Resources

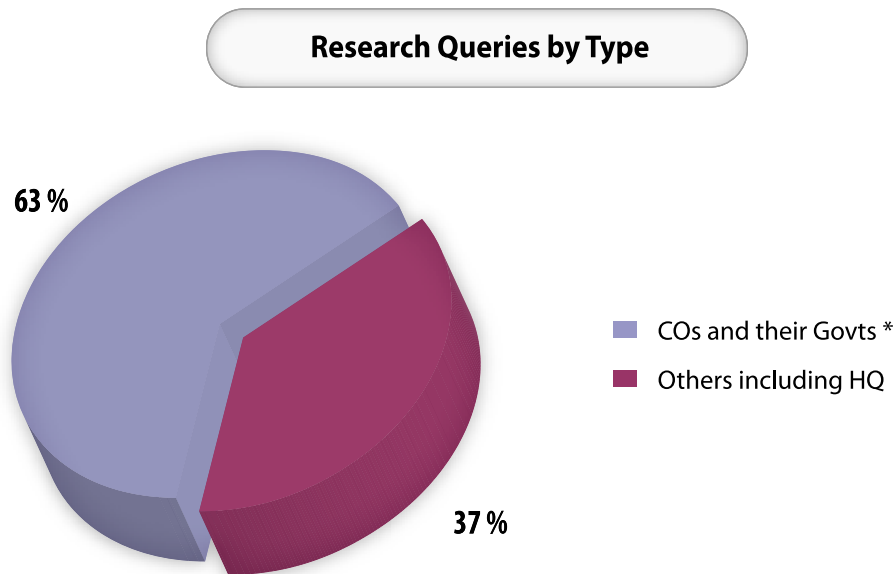
Another key contribution of the Regional Centres is the creation and brokering of knowledge. The Centres produce knowledge resources, some of which proves to be strategic regional public goods, that serve to update knowledge about a specific issue, empowering people to provide informed advice on a specific knowledge domain. The two Centres produced 80 knowledge resources in 2006. Forty-nine (over 60 percent) were produced in Bangkok, of which nearly half were on ICT4D, while 31 (39 percent) were produced by Colombo. Work on an additional 10 RCC publications was finalized in 2006, but these still await printing. In particular, RCC was responsible for a number of high-profile, media-oriented regional publications such as the first Asia-Pacific Human Development Report and several cutting-edge trade reports analyzing the collapse of the WTO talks and the aftermath of the Multi Fibre Agreement.

Figure 6: Knowledge products and resources produced by Regional Centres in 2006

Research Services

Another arm of the Regional Centres' service to Country Offices is research, which comprises consolidated responses to requests for information, advice, or research support related to comparative experiences, good practices, and lessons learnt. In 2006, the two Regional Centres received and responded to 139 research queries. The most services were in ICT4D (27 percent), Democratic Governance (23 percent) and MDG-I (12 percent). Nearly two-thirds of the research queries were from Country Offices or Governments in Asia-Pacific, with slightly more than one-third from Country Offices outside the region and various units from UNDP Headquarters.

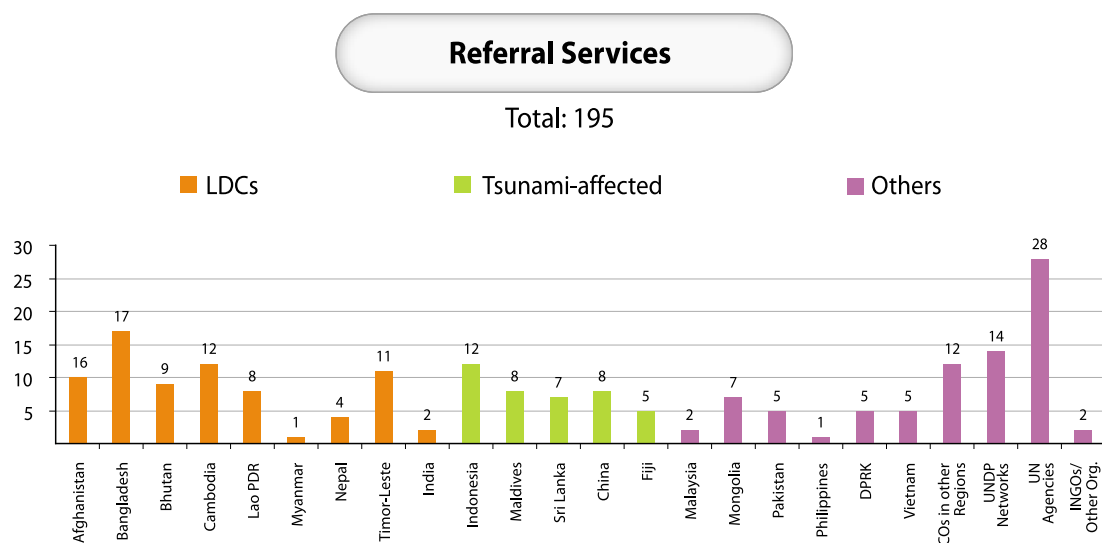
Figure 7: Research Services by Regional Centres



Access to Expertise Services

With a rigorous screening process in place to ensure only high-quality experts are recommended, the business of expert recommendations remains a popular service of the Regional Centres, with 195 responses to requests in 2006. More than 70 percent of these went to Asia-Pacific Country Offices, with the rest serving other UNDP countries, UNDP networks and Regional Centres. Country Offices at the highest levels of service were primarily LDCs. Demand for expert recommendations was highest in the area of Democratic Governance, totaling more than 1 in 4 of all referrals.

Figure 8: Referral Services Rendered to Country Offices by Regional Centres



2.2 Achievements by UNDP Practice and Cross-Cutting Areas

The review of the Practice and cross-cutting areas at the Regional Centres in Bangkok and Colombo covers achievements in the provision of regional public goods, Country Office support, key publications and contributions to the “One UN” reform agenda.

A. Poverty Reduction

A.1: Millennium Development Goals Initiative (MDG-I):

The Regional Programme to support national MDG-based planning and financing strategies, the MDG Initiative, was launched in January 2006 but began multi-country operation only in the following June. The most innovative feature of the MDG-I is its role as the intellectual glue to the reform efforts toward “One UN,” serving all United Nations Agencies by operating through the Resident Coordinator as head of the United Nations Country Team. At the technical level, a key aim of this Programme was to develop and apply analytical approaches and tools that could guide low-income country efforts in Asia and the Pacific to formulate national strategies for MDG achievement.

A considerable amount of MDG-I resources were spent over the year in refining and applying the analytical approach – known as the Integrated Approach – for this purpose. A detailed needs assessment of various sectors of a country’s economy, including infrastructure, energy and social sectors, was complemented by a macroeconomic framework to analyze what human, institutional and financial resources and capacities would be required to achieve the MDGs by 2015. The significant feature of this approach was that it allowed planners to assess how public investments required for the MDGs would affect macroeconomic stability, as well as the implications that a scaling-up of investment would have on economic growth, and consequently, on poverty reduction.

To support planners and Ministry of Finance officials in using the results of such an exercise, capacity also was built by MDG-I to develop financing strategies that were MDG-consistent. Indeed, a critical element in design of the Programme was to use the results of the Integrated Approach to inform budgetary allocations and strengthen the links among poverty/MDG targets, plan priorities and budget allocations.

Meanwhile, the Macroeconomics of Poverty Reduction (MPRP) project was merged with MDG-I, gradually winding down over the year. MPRP was brought to a close on 31 December 2006. This internal reorganization has provided greater coherence to RCC’s substantive work.

Unlike other Regional Programmes, the MDG-I is entirely focused on supporting activities at country level. It does so through the consolidated expertise available at the Regional Centres. In addition, MDG-I has invested in path-breaking research and development that makes available to Asia-Pacific Country Offices a unique integration of costing, financing, macroeconomics and policy advice.

Over the year, scoping missions were undertaken by Programme staff to five countries (Mongolia, Bhutan, Cambodia, Afghanistan and China) to assess the support required by governments in rolling out an MDG-based national plan. A full rollout of the MDG-I was requested by the Governments of Mongolia and Bhutan. This meant building the capacities of national counterparts to undertake a needs assessment and costing exercise, institutionalize the macroeconomic framework, conduct MDG simulation exercises to identify and assess potential policy tradeoffs and options, and support MDG-consistent financing frameworks. Finalization of the results in Mongolia, during early 2007, is undergoing a rigorous quality check to ensure that the financial estimates are credible.

In Bhutan, meanwhile, the Regional Centres are jointly working with the Government through MDG-I to consolidate the sectoral investment requirements for the MDGs, following a needs assessment in June. A mission in the first quarter of 2007 will support institutionalizing of the macroeconomic framework and engage in a policy dialogue with Government on the macro- and financing implications for an MDG-based national plan. All this will complement preparatory work for the MDG-based Tenth Five Year Plan.

Despite scoping missions to Cambodia and Afghanistan, the rollout of support to these countries did not materialize for various reasons. In Afghanistan, a decision was taken by the Government to cost sectoral strategies for the full PRSP; however, sectoral strategies had yet to be developed, so the exercise was deferred. For its part, Cambodia had only recently implemented its National Strategic Development Plan 2006-2010. The UNCT decided to consider a different approach of identifying "quick win" measures, mainly to overcome deprivations in water supply and sanitation, education and health.

The MDG-I provided technical support to several more countries, from Timor-Leste, Lao PDR, Nepal and Pakistan to China and countries of the Pacific. Notably, in Timor-Leste and China, support was provided to assist provincial governments in localizing the MDGs. In Timor-Leste, poverty profiles using MDG targets were employed to identify the kinds of poverty-mitigating measures needed in different districts, while in China, governments in five of the poorest provinces are using best practices from other countries to set MDG-based targets in provincial plans. A workshop for the Pacific Islands has resulted in requests from three Pacific Island states to formulate MDG-based plans in 2007.

In its startup phase during the first half of 2006, MDG-I recruited staff and consolidated, as well as invested substantially in research and development. The team is now nearly 20 strong, with policy components benefiting from other Regional Programmes in rollouts. A major technical and managerial challenge for MDG-I is to ration excess demand; 19 countries have requested its services in 2007. Priorities will need to be established, with guidance provided by regional directors of the ExCom Agencies.

During 2006, the MDG-I also finalized the Simple Macroeconomic Framework (SMF). Five country case studies on the Macroeconomics of Poverty Reduction (India, Iran, Samoa, Bhutan and Sri Lanka) are in the process of finalization for publication in 2007. The MDG-I also published a regional cross-country case study with ILO on employment in Asia and completed a paper on MDG-consistent macroeconomic frameworks.

A.2: Trade and Investment

In 2006, the Trade Team pursued cutting-edge research, analysis and advocacy on trade policies and regimes based on trends and priorities in the region. These include policy support through the Integrated Framework or aid-for-trade initiatives; public finance implications of trade policy reforms; trade-related intellectual property and development; post-quota textiles and clothing and industrial adjustment; and the new regionalism of trade and investment agreements in Asia-Pacific.

The team directed two flagship capacity development events, the first being a four-day orientation program in March 2006 for UNDP Trade Focal Points from 20 COs in partnership with UNDP Cambodia, which also led to the creation of a Community of Practice called the Trade Affinity Group (TAG). This event resulted in a remarkable growth in the number of Co requests to support their trade-related programmes. The second event was an inter-governmental training in May 2006, in partnership with SAARC, to strengthen capacity to facilitate the implementation of the Agreement on the South Asian Free Trade Area (SAFTA). Both events were successfully executed with participation of not only several renowned experts but also all Trade Team professionals as resource persons. Overall, the team further enhanced its networking and outreach capacity in 2006, and its members were engaged in nearly 30 regional consultations as resource persons.

A series of trade-related policy advisory missions or technical backstopping covered more than 20 UNDP Country Offices of the region. The team helped design new trade projects or contributed to aspects of project design and implementation in China, Nepal, Mongolia, DPRK, Philippines and Lao PDR. Technical backstopping was provided for COs in Thailand, Pakistan, Timor-Leste, Sri Lanka, Maldives, India, Samoa, Bangladesh and Malaysia. Two exploratory missions were conducted in Viet Nam and Fiji to suggest future interventions. The team also played an integral role in preparing technical inputs on trade and income poverty as part of the MDG-related missions in Afghanistan and Bhutan. In partnership with UNESCAP, the team led a large regional research effort on trade facilitation issues in the region.

Turning to regional public goods, major case studies and discussion papers were prepared and disseminated on: i) Public finance implications of trade policy reforms in Asian LDCs; ii) bilateral investment treaties in South Asia and South-East Asia; iii) WTO agreements; and iv) Human Development Impact Assessment (HDIA) of trade policies. Several thematic and country studies on cooperative trade and industrial strategies (Flying Geese), as well as gender equality and trade, were initiated. The role of the team in producing these analytical outputs ranged from direct authoring to supervising researchers. Several of these studies have been used and cited by publications of various international organizations, including ADB, UNCTAD and UNESCAP, and have been extensively used by UNDP Country Offices. The team also was requested by a Nobel Laureate in Economics to provide inputs for his work on investment treaties.

The Trade Team played a key role in contributing several rounds of substantive inputs and technical comments on the Asia-Pacific Regional Human Development Report 2006, *Trade on Human Terms*. The team also provided substantive inputs for a quarterly e-bulletin on trade issued by the Knowledge Services Team, while servicing more than 50 queries and requests from UNDP COs and external partners.

The Trade Team deepened its active tracking and analysis of trade flows in the textiles and clothing sector in Asia-Pacific, with a report published in April 2006 and updates prepared quarterly. Supported by DFID, the team and its national partners launched extensive research and advocacy projects to identify policy responses to the expiration of textiles and clothing quotas in four Asian LDCs (Bangladesh, Cambodia, Lao PDR and Nepal) whose exports are dominated by production from this sector. The first round of dissemination meetings of studies (on export diversification and human development impact assessment in the post-quota period) has been completed. Country studies on the gendered impact of quota elimination also have been prepared.

A.3: Human Development Report Unit

The Human Development Report Unit differs from other regional units by focusing on production of a new annual flagship brand and regional public good – the Asia-Pacific Human Development Report (APHDR). This important resource and policy advocacy instrument is the product of an intensive consultative process of theme selection, scoping, stakeholder consultations, research, peer review and feedback, drafts, publication, launch, dissemination and advocacy. As noted in the Key Achievements, based on external responses to the first annual report, the APHDR is proving instrumental as a regional platform for furthering an intellectual and advocacy agenda that supports and goes beyond the Millennium Declaration.

Because of the inherently cross-practice nature of the unit's work, it builds bridges with other programmes in RCC, RCB, the Pacific Centre and other entities such as the Human Development Report Office, Bureau for Development Policy (BDP), UNESCAP, ADB, academia, central statistics offices (CSOs) and other stakeholder organizations. For example, the APHDR 2006, *Trade on Human Terms*, was a collaborative effort with contributions from a number of sources – BDP, the Trade Team and Macroeconomics of Poverty Research Programme, researchers, experts and regional institutions, and numerous stakeholders from the region. An ongoing relationship exists with ADB and UNESCAP, strengthened by the production of various studies.

The themes for the HDRU's work take into account the dynamic and evolving reality that Asia-Pacific is the most rapidly changing, diverse region in the world. With changing conditions, ongoing development concerns are taking on new dimensions, and new development concerns are emerging. The unit's objective is to focus on inherently regional issues that are of concern to numerous countries, have sensitivities that are better addressed at a regional level, and/or have clear cross-border dimensions.

With that in mind, *Trade on Human Terms* focused on one of the most relevant questions for this region: How can trade, an inherently "for-profit" activity, benefit human development, and vice versa? After an extensive analysis of key trade-related themes, the report proposed a bold, new eight-point agenda relevant for national policies – even more relevant in light of the stalled Doha trade negotiations, which provides little hope of resolving difficult trade issues.

The advocacy impact of the APHDR 2006 has been considerable, with demand so great that it led to high-level presentations to the U.S. State Department, the Ambassador's Circle in New York, and Stanford University, among others. Significantly, impact also has been seen in individual countries such as Cambodia, where the Minister of Commerce planned to use the report to persuade senior colleagues in government of the need to liberalize the Cambodian economy.

In Asia-Pacific and around the world, media coverage on issues raised in the APHDR totalled more than 160 print and broadcast articles and nearly 18,000 web page loads by the end of the year. Coverage focused on

- How free trade can widen inequalities, even as it accelerates economic growth and reduces poverty
- How food security has become a major issue in the region, which has moved from a net food exporter to a net importer
- The need to address concerns of Least Developed Countries, especially those that do not have much to export
- Rising issues over “jobless growth” in some of Asia’s most successful economies
- How more successful countries, such as China, can do more to assist poorer countries in the region

Corruption has been chosen as the theme for the APHDR 2007 and gender as the 2008 theme, following extensive consultations culminating in a decision by the Management Board. The HDRU propelled initial work on corruption across Asia-Pacific during the last half of 2006, including two critical sub-regional stakeholder meetings. It is also undertaking preliminary brainstorming with the Gender Team to begin refining the gender APHDR concept. In addition, the unit continued to handle two regional programmes (APRI and MDG-I) until mid-2006, when the MDG initiative was handed over to the new MDG-I Team upon completion of all major outputs.

Also in 2006, the HDRU strove to refocus attention on the tangible human development gains that can be achieved through deeper economic integration and broader cooperation among members of the Association of Southeast Asian Nations (ASEAN). The report *South-East Asia Regional Economic Integration and Cooperation: Deepening and Broadening the Benefits for Human Development* highlights ways to bridge the gaps between the rapidly advancing countries in the sub-region and the contrasting experience of Cambodia, Lao PDR, Myanmar and Viet Nam, which are lagging behind.

Other prominent Asia-Pacific issues that were the focus of the HDRU’s 2006 policy advocacy work in partnership with UNESCAP and ADB included:

- Progress toward ambitious but critical MDG Target 10 (water supply and sanitation)
- The promotion of gender equality and women’s empowerment, where the regional performance has been seriously mixed
- A review of progress toward implementation of the Brussels Programme of Action for the Least Developed Countries of the region

A key achievement in capacity development was the introduction of an innovative UNDP Human Development Fellowship Programme for Ph.D. students who are citizens of Asia-Pacific countries. The fellowship aims to encourage these young students to analyze development issues from a human development perspective; contribute to theory, applications and policies, and push the frontiers of the discipline. This was extended to include a UNDP Human Development Media Fellowship, providing incentives for policy advocacy and dissemination of research in order to bring people to the centre of development debates and demystify complex issues.

Since 2005, the pattern of HDRU support to clients, mainly Country Offices, has evolved from mostly expert referral services to more in-Unit, skill-based services. Missions, technical backstopping and research queries now dominate.

The intellectual work of the Unit has found expression at country level as well as the regional level. Support to National Human Development Reports has included assistance to DPRK, in preparing the country's first "Quality of Life" Report; to Cambodia, in comments on the outline of its new NHDR; to Papua New Guinea, in technical backstopping on calculating Human Development Index (HDI) tables; to Afghanistan, on how to institutionalize human development into national education and curricula; and to the Regional Bureau for Asia and the Pacific (RBAP), in reviewing NHDRs, with a gender focus. In addition, other regions called upon HDRU's leadership: the Regional Bureau for Arab States (RBAS), on good practices for the process of theme selection for the APHDR, and Rwanda, for comments on the Great Lakes Region HDR.

Important missions for programme development and policy advice have included missions to DPRK, as noted above, and to Indonesia, to support development of an MDG programme. In addition, numerous papers and technical notes have been submitted to other United Nations agencies (WFP, UNICEF) and other regional programmes (MPRP/MDG-I). Responses have been given to a total of 16 technical backstopping requests and to 11 research queries.

In addition to the HDRU's biggest achievement for the year, the first Asia-Pacific Human Development Report, *Trade on Human Terms*, other notable knowledge products from the team include the *South East Asia Regional Economic Integration and Cooperation for Human Development*, *Asia Water Watch 2015: Are Countries in Asia on Track to Meet Target 10 of the MDGs?* and *Pursuing Gender Equality Through the MDGs in Asia and the Pacific*.

A.4: Gender Equality

Gender equality acquired greater salience in UNDP's agenda in Asia-Pacific in 2006. The first meeting of the Gender Advisory Board, along with establishment of a regional Gender Steering Committee, helped underscore the compact between the Administrator and the Director of the Regional Bureau. The choice of gender as the theme for the Asia-Pacific Human Development Report 2008 also reflected UNDP's strong commitment to the issue. The Asia-Pacific Gender Mainstreaming Programme (APGMP) served to turn the corporate Gender Action Plan into an integral and practical part of day-to-day work in the Country Offices, strengthening the consistency, coherence and quality of gender mainstreaming.

Overall, the Gender Equality Team's work in 2006 was aimed at a) engendering economic policies and furthering women's economic rights, b) promoting gender-responsive governance and women's political rights and c) providing technical support and networking coordination to UNDP Country Offices and United Nations Country Teams. These strategic objectives were pursued through (1) providing support to Practice Teams and (2) providing support in designing and implementing capacity building in gender mainstreaming for Country Offices and their partners in governments, civil society, private sector and the media.

In particular, without adequate data, the multiplier effects of gender equality for sustainable development cannot be documented. Because sex-disaggregated data is a cornerstone of gender equality, the Gender Equality Team is highlighting the current availability and uses of gender data and why it is necessary for policy formulation in poverty reduction.

The team has initiated a joint regional initiative on gender-based violence prevention, to help develop a unified message for diverse actors, build capacity and networks, and fill gaps in existing research on violence and its prevention. To start, the initiative will focus on working with men and boys in ending gender-based violence – an area of great potential but until now limited in its scope.

The team was able to influence the outcomes of regional and sub-regional events involving a number of Country Offices, at which development issues such as trade, poverty reduction, budgeting and financing, environment, and HIV and AIDS were discussed. A unique opportunity for the team to think and act globally was provided at a joint community of practice meeting in Yerevan, Armenia, at which ideas for the first Asia-Pacific Gender Community of Practice were circulated [see below].

Policy advisory missions and gender mainstreaming training extended support to a number of Country Offices, including Afghanistan, Bhutan, DPRK, Fiji, Nepal, Pakistan, Papua New Guinea, Samoa, Thailand, Timor-Leste and Viet Nam. Results have been primarily in the realm of development of CO gender action plans and gender mainstreaming strategies. The Gender Equality Team highlighted in its advisory services analysis of a wide range of good practices and lessons learnt to suit each country's particular perspective, enabling each CO to maximize its learning.

Learning sessions also were organized at both Regional Centres to make staff more aware of gender issues in relation to their work. In addition, review of a number of publications produced by the two Centres and various Country Offices assured that policy recommendations stemming from such publications made reference to related gender issues.

The Gender Equality Team brought to COs not only a conceptual framework in line with UNDP's global mandates in pursuing gender equality, but also technical expertise in gender mainstreaming in capacity development, programme and project formulation, and advocacy and networking. A series of steps taken in fostering close partnerships with gender focal points in COs resulted in boosting their competencies as well as deepening commitment to gender mainstreaming.

Even so, more policy commitments must be supported at the country level. Attention to gender in country-level programming is still uneven. Although gender mainstreaming practices were initiated in a number of Country Offices, not all were followed through. An improved understanding is essential of how gender equality plays a central role in efforts to achieve the MDGs, so the Centres must become even more proactive on this front in 2007.

The Gender Equality Team has begun consolidating its experiences from providing support services to Country Offices by setting up an Asia-Pacific Gender Mainstreaming Community of Practice. The substantive and technical framework for the Community of Practice was developed in 2006, with a view to launch the website in March 2007. The Community of Practice will provide a platform to the Country Offices in the region to exchange experiences and learn from each other, as well as to receive expert advice from the team. It also will enable the team to monitor, compile and analyze the gender

mainstreaming initiatives at the country level, with a view toward setting strategic directions for the region and ensuring standards in all initiatives.

The Gender Equality Team's key knowledge product for 2006 was the production of the *Development Case for Gender Equality* - a regional think piece for UNDP staff to understand the multiple benefits of a long-term investment in gender equality.

B. HIV/AIDS and Development

The HIV Team's policy research, analysis and advocacy targeted issues driving the epidemic in the region in alignment with UNDP's role in HIV and human development; HIV and governance; and HIV, human rights and gender. Particular attention was given to trans-border issues of unsafe mobility and human trafficking; costing and integration of HIV into MDG-based national development strategies; developing the capacities of Ministries of Health and patent offices to adapt TRIPS flexibilities and safeguards for sustainable access to HIV medicines; and building commitment, capacity and leadership of national partners for generating multi-sectoral responses to HIV epidemics.

Even as the HIV Team provided technical support to costing exercises in MDG-based national planning in Bhutan and Mongolia, developing a specific HIV costing tool represented a key initiative. A regional consultation on HIV costing was convened in November to examine existing tools, and a draft of the improved costing tool is to be finalized in early 2007. At the same time, the regional costing consultation also brought together leading specialists to develop options and methodologies for undertaking effective studies on the socioeconomic impact of HIV and AIDS at the macro and household levels. A framework was developed for China, Papua New Guinea and Cambodia. In collaboration with Yale University, the HIV Team also undertook an important study on the socioeconomic impact of stigma and discrimination in the region.

In its work on mobility, the HIV Team lent technical support to the United Nations Regional Task Force on Mobility and HIV/AIDS Vulnerability Reduction in South East Asia. This was achieved through strategic partnerships built with donors, NGOs and key regional organizations, including ASEAN, and focused on implementation of the Regional Strategy on Mobility and HIV Vulnerability Reduction, endorsed by all member countries. The team also has received a request from SAARC to develop and implement a strategy on mobility and HIV in South Asia.

In 2006, the HIV Team successfully completed a three-year regional project on human trafficking and HIV in South Asia.. The project benefited more than half a million people by bringing vital information, capacity, empowerment and an enabling environment to South Asia. More than 300 trafficked women and girls were rescued through activities supported by the project, and more than 8,000 were given assistance for small-scale economic activities. At the same time, a project to empower HIV-positive women was launched, with a focus on the economic burdens they face. Partners include the Thailand-based Population and Development Association and groups of women from Cambodia, China and India.

The HIV Team undertook several key capacity building initiatives in 2006: Through a regional workshop with WHO and the Third World Network, UNDP was able to strengthen capacity of CSOs and key government officials from 11 Pacific countries in adopting TRIPS flexibilities and safeguards to secure sustainable access to HIV medicines. At an important capacity development event for Country Offices, HIV focal points from 20 countries received training in the areas of HIV response where UNDP has been designated as lead agency. Emerging best practices, as well as challenges, were shared from across the region. These exchanges helped shape the new Regional Programme, while closer synergies were built for regional and country-level initiatives in 2007.

A large-scale programme for generating multi-sectoral HIV responses was rolled out in five countries. This strengthened the decentralization of Mongolia's HIV response, ensured that leaders in Lao PDR and Viet Nam are committed to HIV response as a national priority, and mobilized women and youth for strengthened national and sub-national responses in Fiji and Papua New Guinea.

Notably, the largest-ever broadcast initiative on HIV in the region was launched, in partnership with Asia Pacific Broadcasting Union. Three production workshops, involving 16 national broadcasters and facilitated by BBC World Service Trust and CNN trainers, were held before the final products were launched on World AIDS Day. The films are being telecast by national broadcasters across the region; an international package, with subtitles and English voice-over, is being made available for use by Country Offices.

At the 16th International AIDS Congress in Toronto, the HIV Team helped unveil a global Red Ribbon Award for outstanding leadership and action on HIV and AIDS. Together with BDP, the team also created a community dialogue space where emerging best practices in HIV were shared, and where local-global dialogues were brokered between community activists and HIV leaders. Four important symposia and two satellite sessions on human rights, law, macroeconomics, poverty, resources and mobility, organized by the team, were broadcast globally and reached more than 1 million viewers.

Policy advisory support on HIV/AIDS was provided either directly to Country Offices and joint United Nations programmes, or to other stakeholders through regional events. Policy advice was provided to Samoa to assist in formulation of the UNDAFs for 12 Pacific nations; Indonesia, for review and formulation of a strengthened National AIDS Commission, as well as the design of 15 project districts under the national programme; Mongolia, to help design and execute a Government-hosted meeting of 12 low-prevalence countries; and Pakistan, to help assess how best to strategically position UNDP's work and engagement on HIV.

Four types of key knowledge products were created. In order to help CSOs undertake initiatives to prevent trafficking and HIV, the team produced a Trafficking Training Manual based on four years of experience in the field, both at the policy and community levels. The team also prepared a rapid assessment, a reference publication looking at the trafficking and HIV situation in South Asia that explores policy and programme options. Another key knowledge product nearing completion is the MDG-HIV Needs Assessment Guide, to be used in conjunction with the other MDG needs assessment processes in MDG-I rollout countries. The year 2006 also saw the production and dissemination of the film *Celebration of Life*, which advocates against stigma and discrimination; this has been made available in 24 regional languages. Also released was *Bring Her Home*, a short advocacy film on trafficking and HIV.

C. Democratic Governance

Compared with 2005, the profile of governance related policy advisory services to Country Offices shifted in 2006 towards an increased demand from Least Developed Countries, with fewer requests from Tsunami affected countries. Decentralization and Local Governance, Public Administration Reform and Anti-Corruption, and Aid Coordination were most requested areas, and a total of 82 missions to Country Offices were fielded in 2006.

Country Office support services were of a more cross-disciplinary nature in 2006, as evidenced in the support provided to Afghanistan and Timor-Leste. In Afghanistan, an RCB-led team formulated a strategic governance framework building on the National Development Plan. This resulted in the establishment of entire new cluster programmes in the areas of public administration reform, decentralization and local governance, access to information and ICT, parliamentary and judicial sector reform., including the new \$43 million Afghanistan Sub-National Governance Programme, the 2.3 million US\$ Accountability and Transparency project (ACT) and an important agreement by the donors and Government to establish a Capacity Development Facility for Afghanistan. In Timor-Leste, a multi-disciplinary team from RCB (governance and crisis prevention and recovery) and RCC provided support to the UN Assessment mission headed by the UN Special Envoy. In addition, a twinning of advisory support in Public Administration Reform with the Capacity Development team provided sustained support in the area of public sector management. With UNCDF support, a policy on local government was also adopted, which secured \$2 million co-funding from Irish Aid.

Additional examples of multi-service line support are found in advisory services provided to Bhutan, Cambodia, Mongolia, and Nepal during the course of 2006. In Bhutan, alongside RCC advisors, the RCB team helped align the Tenth Five Year Plan with the Millennium Development Goals [see also MDG-I] and supported new strategies for decentralized pro-poor service delivery, while building capacity for Bhutan's newly established Anti-Corruption Commission. In Cambodia, technical support and policy advice focused on evaluating and developing a new parliamentary programme, and formulation of anti-corruption strategies. In Nepal, policy advice on a new justice sector programme was complemented with assistance in formulating the joint UN-Donor Local Governance and Recovery Programme, helping establish a national policy on "Minimum Conditions and Performance Measures" for local governments. In Mongolia, again through MDG-I, we contributed to the formulation of priorities and costing initiatives designed to advance national goals with respect to its MDG-9 targets related to deepening democracy, protecting human rights, and zero-tolerance towards corruption.

Country Offices in Cambodia, Indonesia, Laos, and Vietnam, also received policy advisory support on strengthening national policy frameworks for indigenous peoples. In China, we joined the European Union in advising on a pioneering programme, linking civil society developments with critical reforms in the justice sector. In Bangladesh, we helped upgrade a joint pilot project with the UN Capital Development Fund into a \$200 million national local governance support programme, co-funded by the government, the World Bank and other donors. Advisory support to the Government of Maldives resulted in the policy and drafting of legislation to establish democratically elected local councils. In Vietnam, we supported the process of finalizing the multi-donor funded support project for the implementation of the Public Administration Reform Master programme. And in India, we helped adjust the strategic direction of the next national planning cycle in the areas of decentralization, local governance and ICT portfolio, and supported the access to justice programme.

Advice was provided to Asia-Pacific COs in formulating strategies for preparation of expression of interests (EOIs) for the Democratic Governance Trust Fund tranche of 2007. COs in this region submitted a total of 20 EOIs of which 19 were approved for funding totaling \$1,935,000.

In 2006, the Centre's Democratic Governance programmatic efforts focused on three development outcomes: a) effective representation; b) access to justice; and c) transparency and accountability. The main actions of the Asia Regional Governance Programme and the Regional Indigenous Peoples Programme included policy research and codified lessons; consolidating and expanding networks for enhanced learning and knowledge sharing; engaging in advocacy on development priorities, particularly through greater use of the media; and continuing to provide technical and advisory support to COs in the region.

Ensuring Effective Representation

In addition to the capacity development of youth leaders [see also Capacity Development], highlights in ***effective representation*** include the regional initiative on Local Democracy: Representation in Decentralized Governance. An analysis of concepts and issues in local democracy was published with a comparative study of the design of representational and accountability arrangements in 16 countries, with particular emphasis on political representation of women and disadvantaged groups. To facilitate this area of work, an RCB-led Regional Expert Network was established to dialogue with policy-makers and non-governmental partners.

Emphasis on improving the decision-making skills of indigenous women also improved effective representation. Indigenous women from Myanmar and the Philippines benefited from training sessions of the Regional Indigenous Peoples Programme in partnership with the Asia Indigenous Peoples' Pact and the Asia Pacific Gender Mainstreaming Programme. A Training Manual has been developed and will be published in 2007. The Programme partnered with national statistical offices in two pilot projects on data dis-aggregation as an effective tool for targeted programming towards MDG attainment in Nepal and the Philippines.

RCB, working with the UNDP Global Parliamentary Strengthening Programme, and the International Parliamentary Union, commissioned and disseminated 7 national case studies and a regional report on the *Role of Parliaments in Crisis Prevention and Recovery*. Guidelines for the international community on how to integrate parliamentary development, conflict prevention and post-conflict recovery strategies were also produced.

Access to Justice programming focused on capacity building initiatives and building knowledge networks. Partnering with the global HURIST (Human Rights Strengthening) programme, a consultation was convened on a Human Rights Community of Practice bringing together CO staff from nine countries with resource persons from BDP, UNICEF, UNESCO and UNIFEM to identify strategic issues to advance human rights based programming and support to human rights institutional capacity development. An action plan for 2007 has been developed, including a collective demand driven decision to map Human Rights Based Approach (HRBA) initiatives in the region, engage in human rights reviews of programming, undertake capacity assessments of human rights related institutions, and provide training for staff in COs.

Constitutional Making in Asia emerged in 2006 as another pioneering initiative for the region, with the ground-breaking 10-day intensive training course focusing on practical experience in constitutional affairs and similar regional learning and advocacy courses focused on the concerns of other countries, especially in the Pacific, as well as demand-driven, in-country courses in Maldives and Nepal, and practical knowledge resources in the topic.

The RCB, in partnership with the Philippines Supreme Court and the Federal Court of Australia, established an Asia-Pacific Judicial Reform Network (APJRF), which has also been awarded a UN Democracy Fund grant. The network comprising the supreme courts of 18 Asia-Pacific countries is the first of its kind and it is expected to share substantial knowledge on strategies for judicial reforms aimed at improving the accessibility of courts to people, especially those who are indigent and otherwise disadvantaged. The APJRF will as another of its key outputs, prepare a Handbook on Judicial Reforms working closely with its constituent members.

Combating Corruption

In the area of ***Accountability and Transparency*** a number of high-profile knowledge products and regional training events were produced in 2006. Studies on corruption and deficiencies in integrity, and related programme development were conducted in Afghanistan and Laos. A Comparative Study on Institutional Mechanisms for Combating Corruption was published in 2006, disseminated to COs and partners in the region, and translated into Mongolian and Khmer. Substantive leadership on the 2007 RHDR (Regional Human Development Report) on Corruption involved the preparation of the background paper for regional stakeholder consultations and advice on themes, resource persons and oversight for quality control for selected background studies. The Centre's communications and governance expertise was leveraged for a training event for 10 countries which linked anti-corruption strategies and media development. In concert with MDG-I, a project for building anti-corruption capacities for implementing the MDGs will be piloted in four countries, in partnership with Korean institutions.

The two Public Service Announcements (PSAs) on Anti-Corruption, launched at the 2006 Management Board meeting have been proven to be a broadcast success [see also Communications and Programme Advocacy]. Local level adaptation and national broadcasting is expected to continue in 2007. Also in 2006, the Programme, partnered with the Asia-Pacific Development Information Programme (APDIP) and the UN Centre for Regional Development (UNCRD) in Building Capacity for Asia Pacific e-Government Initiatives. 20 case studies from 12 countries analyzed the challenges of utilizing national e-government initiatives for poverty reduction goals.

Tracking Aid

Programming in the area of ***Aid Coordination and Management*** produced tangible results in 2006. The Centre hosted a regional workshop, *From Paris to Practice: Tools for Better Aid Management*, harnessing lessons learned from 16 countries in the region and from donor and research partners including Asian Development Bank, United Kingdom Department for International Development, and the Overseas Development Institute. Lessons learned have been codified and fed into the development of a UNDP corporate toolkit, and a wiki website has been established (<http://www.aideffectiveness.org>). The centre has also launched a Regional Development Assistance Database and private sector version in Bangkok

to enhance analysis and accountability of assistance across the four countries worst affected by the tsunami: Indonesia, Sri Lanka, Maldives and Thailand.¹ Using the lessons learned in tsunami affected countries, we expanded efforts to enhance accountability and transparency of aid flows to Pakistan after the earthquake and provided support to other countries in the region, such as India and Vietnam

Partnerships for a Better World

In the area of **Public-Private Partnerships** for Urban Environment, we helped increase access of the urban poor to basic services such as water, sanitation, solid waste management and energy by promoting inclusive partnerships among local government, business and communities.² In Nepal, the Centre contributed to the formulation of a new programme targeting basic services delivery to the urban poor through multi-stakeholder partnership arrangements. The Centre backstopped the Philippines Country Office in the formulation and launch of a pilot model to improve access to safe drinking water in poor urban communities. Similarly, in India, the Centre helped formulate and launch a project on devising partnership mechanisms to supply raw materials for a waste-to-energy plant in Southern India. And in Bhutan, we advised the Country Office on ways to upscale a solid waste management project in Thimphu and formulate a Public-Private Partnership policy framework.

Regionally, we developed and disseminated practical tools and guidelines on pro-poor Public-Private Partnerships and are planning for a regional project to support the development of innovative and flexible financing mechanisms and instruments that facilitate the flow of financial resources from households and communities, local commercial banks and other domestic sources to pro-poor Public-Private Partnership projects in urban services delivery.

D. Energy and Environment

Through close integration of activities funded by the Global Environment Facility (GEF) and UNDP core resources, including regional programme and trust funds, countries were assisted to address a broad spectrum of environmental challenges, as well as help countries and communities maintain and benefit from biodiversity and ecosystem functions and access to energy services. Activities concentrated on mainstreaming E&E in national development plans based on the MDGs, expanding access to energy services for the poor and empowering governments and local communities to sustain biodiversity and ecosystem services.

A new business plan emerging from a June 2006 Global EEG meeting in Goa, India, consolidates our work under two strategic pillars: 1) mainstreaming environment and energy; 2) catalyzing environmental finance. Revisions to the business plan are ongoing. GEF, MP, Climate Change, etc. will continue under the new Environment Finance Group (EFG), maintaining focus on traditional thematic areas as well as adaptation to climate change for SIDS and LDCs. There will be a particular focus on facilitating access to adaptation funds for Pacific Island States and LDCs. In preparing for GEF-4 significant restructuring is anticipated. Slow start-up and capacity weaknesses within COs and governments continue to impact

¹ See <http://www.tsunamitracking.org/undprcb/>

² Additional information about the Programme is available at: <http://pppue.undp.org/>

delivery rates and effective implementation of projects that have meaningful impacts on the global environment. A key focus will be to improve systems of delivery and capture of impacts through improved monitoring systems.

Despite institutional and legislative developments, environmental challenges continue to erode the well-being of the people and threaten the sustainability of economic growth in the region. A top priority will be to ensure coherent integration of environmental considerations into sectoral planning and budgets. We will continue to assist COs and government agencies to meet MDG targets, and work with partners towards integrating strategic priorities, support countries in their transition to new funding frameworks, partake in joint missions and improve tools and processes required for more effective MDG based strategy preparation and implementation.

Despite progress, environmental challenges continue to erode the well-being of people and threaten sustainability of economic growth in the region. In 2006, the Regional Energy Programme for Poverty Reduction (REP-PoR) developed policy options and advocacy for equitable access to energy services at the regional, sub-regional and national levels. Five project documents were submitted for a global Thematic Trust Fund on Energy. Regional studies were conducted on the impact of oil price rises, providing public policy options to protect the poor from adverse impacts and promote investments in alternative energy sources. Sixteen Country Office staff from the region were media trained using the findings, as part of the Centre's efforts to support national level advocacy work on access to energy services for the poor.

The Centre built and strengthened strategic partnerships throughout the year. With the Institute for Global Environmental Strategies Japan (IGES-Japan), the Centre organized a regional consultation on a Strategy for Clean Development Mechanism (CDM). Twenty-one countries responded to a survey of experiences and key issues. The resulting strategy offered options to leverage carbon finance, including the CDM for accelerating poverty reduction. In land management and biodiversity, the Centre, along with the International Centre for Mountain Development, brought together 40 participants from five countries for a conference in Nepal on rangeland policy.

The Centre, in partnership with the World Conservation Union (IUCN), raised an initial \$10.2 million for the Mangroves for the Future (MFF) Initiative. MFF marshals the efforts of six tsunami-affected countries in the Indian Ocean Region (five in Asia and one in Africa) to conserve and restore coastal ecosystems to sustain human livelihoods, increase resilience and reduce vulnerability. The UNDP-IUCN team developed a comprehensive five-year strategic framework.

Scaling-up the Poverty and Environment Initiative (PEI) helps countries fight poverty through sound and equitable environmental management, partnership building, and knowledge sharing at local, national and global levels. The Centre has been instrumental in forming partnerships to expand the Mekong Community Dialogues Initiative, a cross-border, community-to-community network providing a platform to advance issues that directly affect livelihoods.

During 2006, Energy and Environment (E&E) specialists assisted countries to address a broad spectrum of environmental challenges. The Centre concentrated on mainstreaming E&E into national development plans based on the MDGs, expanding access to energy services for the poor, and empowering governments and local communities to sustain biodiversity and ecosystem services.

Sustainable Land Management

The Centre undertook 77 missions throughout the region. Specialists from the Centre aided in developing comprehensive E&E programme strategies for UNDP Country Offices in Bhutan, and India; provided policy advice on land management and biodiversity to Nepal; rolled out integrated services in Cambodia; and, through the MDG-I, assisted Country Offices in Afghanistan, Bangladesh, Mongolia and Bhutan to strengthen MDG needs assessments and mainstream E&E into national planning. Centre specialists assisted the Country Office in Cambodia to develop a programme framework for an E&E cluster, as well as helping to draft a sustainable land management programme approach that integrates initiatives from the International Fund for Agricultural Development (IFAD) rural development and GEF/ Sustainable Land Management (SLM). Technical support on energy for sustainable development was provided to Bhutan, Cambodia, China, Nepal and Timor-Leste under the Energy Thematic Trust Fund (TTF), influencing project document design which successfully mobilized \$694,606.

The Global Environment Fund team provided technical support in formulating and submitting project proposals, resulting in, significant amounts of resources that will be programmed through UNDP. For example, 90% of Thailand's allocation will be UNDP-implemented. GEF undertook the formulation of SLM policy mainstreaming and capacity building projects in six LDC/SIDS countries in Asia and 14 in the Pacific (\$1m each for GEF with \$1m co-financing), designed to catalyze UNDP and bi-lateral funding for sustainable land management. Under the Montreal Protocol (MP) the Centre provided policy support to the Fiji Multi-Country Office on chemicals management, as well as the Government of Bangladesh to phase out the use of Chlorofluorocarbons (CFCs) in the manufacture of metered dose inhalers. Policy advice was also provided at regional network meetings in Bangkok, Jakarta, and Sri Lanka to share experiences and provide guidance to governments to phase out ozone depleting substances.

In addition to the Centre's report entitled *Will tomorrow be brighter than today?*, which highlighted key gender issues in energy for poverty reduction and provided a number of policy options to mainstream gender concerns in national processes, advocacy reports covering 14 Asian and 15 Pacific countries were completed. These were based on country level assessments of the disconnect between energy provision and poverty reduction efforts. Country Offices in Bangladesh, Cambodia, Vietnam, and Timor Leste have used these reports to help develop rural energy services, plans and strategies. In addition, a report on the Philippines entitled *A Pilot Project on Energy and Gender* targeted female urban entrepreneurs in the informal sector to enhance income generation and assessed implications for similar interventions elsewhere.

E. Crisis Prevention and Recovery

In 2006 in the area of Crisis Prevention and Recovery, the Centre increased the abilities of countries in the region to guard against and respond to all manner of crises by prioritizing:

- Effective cross-country knowledge sharing
- Capacity building of risk-reduction practitioners
- Training of trainers in participatory community-based multi-hazard risk mapping
- Advocacy for crisis prevention and recovery.

The Centre organized 21 regional and national learning events, attended by 1,546 participants to achieve these objectives.

To increase capacity in compiling disaster data and analyzing disaster trends in five tsunami-affected countries, the Centre helped establish initial disaster loss inventories and recruited, trained and placed information officers in four of the five countries. This was accomplished with support from the Regional Capacity Building Program for Recovery in Tsunami-Affected Countries. In Sri Lanka, more than 4,000 historical disaster data cards have been compiled and validated. Through exceptional cooperation with the Indian State of Tamil Nadu, more than 10,000 historical data cards have been collected, analyzed and shared with key technical agencies and government officials from each district. In Indonesia, historical data collection has been slow, but 2,500 data cards have been collected and results of the preliminary analysis were presented to national authorities. In Thailand, working with the Department of Disaster Prevention and Mitigation, data for the last five years has been collected. The Centre assisted district governments to quickly identify and mobilize available resources during emergencies, by supporting Maldives and Sri Lanka to adapt the India Disaster Resource Network system, which provides an on-line inventory of resources (equipment, expertise, and supplies) available at the district level.

The Centre organized a series of learning events in participatory community-based multi-hazard risk mapping to help build capacity in Maldives, Sri Lanka and Thailand. This included training of trainers to support Community-Based Early Warning Systems. A total of 890 national and sub-national officials have been trained across the region. In regional policy development, the Centre commenced a comparative review of institutional legislative systems. The analysis will identify gaps and outline policy options for decision makers. In cooperation with UNESCO-IOC, the Centre ensured participation of officials from tsunami-affected countries in the "Pacific Wave 06" drill exercise in the Philippines, and subsequently in Indonesia. Following this exercise, the Centre produced a manual on Standard Operating Procedures on Tsunami Early Warning.

The Centre helped develop and launch the Maldives Risk Profile. This project met the need for a comprehensive study of the risks associated with multiple hazards facing the country. Similar support to three states in India led to the development of disaster databases to identify hazard risks at disaggregated geographical levels and allow for specific mitigation measures. Sub-regionally, in collaboration with the Asia Disaster Preparedness Centre, the Centre developed and mobilized €256,683 for a joint program on disaster risk mainstreaming in the education sector. The program is targeted at Lao PDR, Cambodia and the Philippines.

Following sudden crises in Indonesia (earthquake), Thailand (floods), the Philippines (landslide/oil spill/typhoon), and the resumption of conflict in Timor Leste, the Centre responded immediately and rapidly to Country Offices. Working with country teams, the Centre undertook initial impact assessments and provided technical support to recovery coordination, as well as to develop early recovery projects. The Centre worked with the Bangladesh Country Office to develop program strategies for sustainable peace in the Chittagong Hill Tracts. In Papua New Guinea the Centre collaborated with country teams to finalize a preparatory assistance project document and facilitated its funding. Working closely with Country Offices, the Centre formulated courses of action to address gaps and constraints in mine action policies and plans in Iran, Afghanistan, Sri Lanka and Thailand.

Mapping Disaster Risk

In the Philippines, the Centre helped develop a project proposal for disaster risk mapping and mainstreaming disaster risk reduction into development planning at sub-national levels. The Centre worked with national authorities in Sri Lanka to publish "Road Map for Disaster Risk Management Volume II", which advocates a developmental approach towards disaster risk management.

Technical support from the Centre aided Bhutan's development and launch of its National Disaster Risk Management Framework. The Centre played a key role in conceptualizing, developing and delivering the Capacity Building Initiative for Entry Level DRM Practitioners in India. A key tool for enhancing the effectiveness of the Disaster Risk Management Programme in India, its success led to its institutionalisation within UNDP, and it will be contextualised for Sri Lanka and Pakistan in 2007.

Harnessing regional skills and capacities, the Centre helped establish the Global Facility for Community Based Disaster Risk Management, enabling national- and community-level capacity building. In Indonesia it helped identify priority areas for reconstruction and recovery in tsunami-devastated communities. In Mindanao, the Philippines, the Facility enhanced a community-based early warning system.

In Maldives, it contributed to strengthening responses among communities, leaders and government officials. With the International Federation of Red Cross and Red Crescent Societies (IFRC), UNDP Pakistan and the International News Safety Institute, the Centre trained 108 government, media and NGO representatives on Disaster Risk Reduction. With the Asian Disaster Preparedness Centre, the Centre facilitated a curriculum development workshop on Integrating Disaster Risk Reduction in Governance.

The Centre launched a Disaster Risk Reduction Community of Practice for Asia and the Pacific in 2006. Members span 15 Country Offices that share valuable knowledge across the areas of early recovery and institutional and legislative systems for disaster risk reduction. The community is live on a global workspace (http://practices.undp.org/cpr/cpr_files/tab_top/drm-asia.cfm?src=121674) and is managed by a full time facilitator.

The publication Gender Dimensions in DRM: a Guide for South Asia was translated into Urdu and disseminated in Pakistan. We also produced a concept and terminologies booklet entitled On Better Terms to strengthen linkages between those working in DRM and climate change. The Regional South-South Cooperation Unit published a Handbook on Integrating Disaster Risk Reduction with Local Governance.

F. Management Practice

The High-Level Panel Report to the former UN Secretary-General has now been released, and the probable outlines of overall UN system reform are becoming clearer. With that report as a reference point, UNDP is now moving ahead to clarify its own internal change architecture, one component of which will be an updated position on the Management Practice Team (MPT) concept, including its place in an approach to regionalization.

What has remained stable thus far, however, is the perception from both CO and Headquarters staff of the need for stronger management performance and support at this critical point in the evolution of the UN system - and of UNDP. The key issues therefore are most likely to be: (a) sharpening of agreement on work priorities, (b) elaboration of new funding arrangements, and (c) broadening the array of services offered. As UNDP builds up Management Practices in other regions, it may also be expected that inter-regional support initiatives will begin to appear.

In early 2006, the Centre conducted a web-based survey of issues and priorities for the COs of the region. The results are shaping the staffing and activity planning, with current priority being given to procurement and finance. Though the MPT is primarily focused on improving the managerial capacities of UNDP COs, we provided on-site assistance to Afghanistan to design the staffing and reporting arrangements of three major governance and capacity development programmes. A week-long workshop focusing on Atlas productivity (Finance, Human Resources, Procurement) was hosted in Bangkok in collaboration with the Bureau of Management. Over 100 participants from 24 COs participated in the various tracks, including 35+ DRRs, both Operations and Programme. DRR participation was unique to the RBAP workshop.

Regional COs placed top priority on programme and project management support. The Centre emphasized Capacity for Efficient Delivery for Achievable Results (CEDAR/RMG) Project roll outs, starting with Prince2. As a result, the RBAP and RCB established a distinct leadership role in this area. We visited 87% of the COs to support the CEDAR/RMG process. In fact, our regional missions account for fifty per cent of all CEDAR related visits to COs within UNDP. Enrolments and completion of the PRINCE2™ foundation and RMG courses greatly exceed the levels achieved elsewhere in UNDP.

The Centre supported CO and project management initiatives through missions to Cambodia (2), Afghanistan, India, Timor-Leste (2), Mongolia, Laos (2), Sri Lanka (2, of which one was an UNDAF workshop for the UN Country Team), Indonesia (2), Fiji, Pakistan, Bangladesh (2), Malaysia, Nepal, Philippines (2), China, Republic of Korea, Myanmar (2), Samoa (2), Maldives, Thailand and Bhutan.

Recovering Costs

A former Regional Information Manager was contracted to provide on-site support to COs on a cost-recovery basis: Three missions were undertaken under this arrangement (Timor-Leste, Nepal, Iran). In the 4th quarter the Centre conducted an ICT status survey for the region, with 24 COs participating. The report, released in January 2007, will provide the basis for the development of a regional ICT strategy in 2007. Also, information gathered from the survey will provide the starting point for a regional ICT resource roster.

Based on regional CO demand, the Centre developed and submitted to Headquarters a proposal to establish a Regional Chief Procurement Officer (RCPO) function. This was approved in late 2006, and the Regional CPO is to be recruited and placed in the first quarter of 2007.

Thirteen COs in the region attended a special workshop in Bangkok that addressed Atlas bank reconciliation issues. The Office of Finance provided training and support expertise. It is expected that RBAP COs will be able to successfully close and reconcile their 2006 accounts. Support to HACT, with

its implications for change and collaboration with UN ExCom agencies, became an urgent topic, with finance staff increasingly requesting support from the MPT.

The Centre must remain engaged with its various constituents to ensure that it completes its emergence into a sustainable and valued partner and support mechanism for regional management activities. This is the cornerstone of the Centres' efforts to help COs become more effective partners in development. The movement toward a UN "delivering as One" will have a definite and direct impact on the Management Practice, which has thus far focused primarily on issues internal to UNDP. It may be expected that the next generation of MPT will be required to engage in cross-agency operational issues, and MPTs in regional centres should be well-positioned to do this.

G. Cross-Cutting Areas

G.1: Knowledge Services

Knowledge sharing is a binding thread through all Regional Centre support services. Development effectiveness depends on appropriately promoting, coordinating and supporting knowledge sharing across Country Offices, the Regional Centres and partners in Asia and the Pacific. The key challenges with respect to the Regional Centres' knowledge sharing mandate in 2006 were: i) how to enhance knowledge sharing and collaboration within/across regions and between regional and global levels; ii) how to capture diverse country experiences and translate these into useful policy advice and programming; iii) how to create relevant and high-quality knowledge resources and ensure the effective application of their content at the country level; and iv) how to embed KM into UNDP's business processes at the regional and country levels.

With limited resources available, and given the decentralized structure of UNDP and ensuing dispersion of knowledge across a wide and diverse geographical base, the Regional Centres strategically focused on building regional networks and Communities of Practice (COPs), enhancing CO access to UNDP-external expertise, creating select knowledge resources, providing research support to COs (comparative experiences), building CO and Regional Centres' KM capacity, developing a regional knowledge sharing and collaboration portal, and partnering on KM regionally.

The Regional Centres built 15 regional Communities of Practice in 2006, with members internal and external to UNDP and the United Nations System. Overall, these live communities of practitioners have contributed to improved regional service delivery and knowledge base, regional policy development, and value addition to CO processes through focused learning and sharing of experiences and knowledge. At the country level, the Centres have actively promoted and supported the adaptation of India's Solution Exchange, with the first case in Bhutan.

Through a unique partnership with Microsoft, the Regional Centres have developed a regional portal that will serve as a regional knowledge base and, more importantly, a platform for knowledge sharing and collaboration within and beyond the region. The Centres have also developed a regional service tracker to monitor and report on services as well as to improve collaboration and coordination across Centres.

With respect to the 49 knowledge resources produced at the Regional Centre in Bangkok, 41 percent (20) were in the domain of ICT for Development, with 20 percent in Democratic Governance (10). Seven products were produced on Capacity Development, 4 each on Management and Energy and Environment with the rest covering areas in PSD and South-South. Of the 31 knowledge resources originating from the Regional Centre in Colombo, 42 percent (13) were produced by the HDRU and 35 percent by Trade (11) and the rest by KST, MDGI, HIV and Gender Equality [see also Figure 6, under Section 2.1, Part B].

In addition to Practice-related publications, the Centres also produced knowledge resources that are disseminated on a regular basis to meet the information and knowledge needs of COs (e.g., biweekly donor intelligence briefs, quarterly development e-bulletins, and quarterly collections of good practices). The Centres also developed consolidated replies and comparative research papers as part of research support service to COs. In 2006, the Centres provided 139 research services to COs [see also Section 2.1].

At the country level, the Centres have begun rolling out the WIDE roster, starting with Afghanistan, and have supported the UN Heads of Agencies in Bangkok to set up the first common United Nations System expert roster. CO staff exchanges (7) continued to be brokered through the Mutual Support Initiative.

KM advisory and technical backstopping missions and desk support services continued as key services to COs on a demand basis. Main highlights of KM support include major missions to the UNV HQ-Bonn and UNDP Iran. The Centres also partnered with the Asian Development Bank's KM office to plan and organize the annual global KM for Development conference (KM4Dev), hosted this year by ADB in Manila.

With internal knowledge systems and processes now mostly in place at the Centres, along with experience gained from implementing a number of key knowledge initiatives, the Centres can now focus on consolidating and scaling up successful KM efforts in 2007, with greater focus on direct support to COs and other regional initiatives that benefit those on the ground. The Centres will continue to provide flagship knowledge services to COs while regional Communities of Practice will become a centrepiece of KM efforts in the region. These have proven in 2006 to be a powerful, efficient and effective way to work jointly with other United Nations Agencies to facilitate knowledge sharing and collaboration, while at the same time strengthening UNDP's practices in the region by contributing to policy development and supporting the core work of Regional Programmes.

To guide the overall implementation of KM in the region, in the context of United Nations reform and an evolving KM effort at the corporate level, the Centres will seek to have a framework in place in 2007. It is clear the potentials for KM in the region are still not fully tapped, but it is hoped that through more cross-regional sharing of KM experiences, good practices and collaborations, as well as directional guidance and support from HQ, the Centres will be able to more effectively address other key issues related to knowledge sharing.

G.2: ICT for Development

Regional Information and Communications Technology for Development (ICT4D) needs are shifting from awareness-raising and multi-stakeholder dialogues to strategic sector planning, implementation of pro-poor e-governance strategies, capacity building, and development of relevant low-cost ICT applications. Progress of ICT4D initiatives must be monitored closely and evaluated, and further engagement with national counterparts and Country Offices are essential to ensure that these initiatives are, in fact, achieving the development priorities of the countries. In line with this, the Regional Centres plan to strengthen their work in capacity building, pro-poor e-governance and development, and promotion of low-cost ICT applications for poverty reduction.

In 2006, the Asia Pacific Development Information Programme (APDIP) continued to help countries target and focus regional ICT initiatives to achieve the MDGs by making ICT an integral part of development cooperation and solutions to address governance, economic, social and digital divides in more innovative and effective ways.

A significant number of partnerships were fostered in order to carry out the regional programme on ICT4D. In 2006, \$527,611 in cost sharing funds were approved. With funding from the International Development Research Centre, three new sub-regional International Open Source Network (IOSN) Centres of Excellence were established to address the growing needs of the region for low-cost/alternative technological solutions. Together, these IOSN Centres of Excellence are undertaking research and development, institutional strengthening, capacity building, and networking in sub-regional activities related to alternative low-cost technologies. In addition, the Regional Centres' e-governance and A2I initiatives undertaken in 2006 were implemented in partnership with either UNDP Country Offices, sister UN agencies, government agencies, CSOs and/or the private sector.

The Centre continued to actively engage in policy dialogue and development activities. In Afghanistan, it contributed to the review of the ICT portfolio and in formulating a new programme on ICT for Development and Access to Information. This facilitated and strengthened the Country Office's expansion of its governance programme to the sub-national level. Similarly in India, the Centre undertook a mid-term assessment of local governance, access to information and ICT4D portfolio. This resulted in the alignment of ICT4D and e-governance to corporate priorities and government interventions in the field. Overall, e-government initiatives promoted in this area will eventually help to reduce transaction costs of development services.

A wide range of audiences benefit from the team's knowledge products: national government counterparts, COs, parliamentarians, universities and schools, and broadcasters. The Centre continues to develop and disseminate policy research, analysis and advocacy materials in various forms (publications, e-notes, DVDs, and online video streaming) on a range of issues, such as governance, alternative technological solutions, anti-corruption, HIV and AIDS, and crisis prevention and recovery. In 2006, 13 knowledge products and 21 e-government case studies were completed and made available online. The Centre continues to manage the ICT4D Communities of Practice, with more than 3,600 members worldwide. Wiki narratives of 15 e-primers have been created to further promote knowledge sharing and collaboration in building an ever-expanding knowledge base on different aspects of ICT4D.

G.3: Capacity Development and Capacity2015

The focus of Capacity Development (CD) support in the region evolved considerably this year. Support was provided in the form of knowledge resources, capacity development mainstreaming, policy advice and technical backstopping. Two new significant components were added in the form of support to the MDG Programme and the positioning of capacity development as a key UNDP support area in the One UN environment. With an additional CD specialist within the MDG-I, the two Centres have enhanced their capacities to respond to country demands.

In 2006, some of the Centre's achievements were debuts of the Coaches and Advisors Programme for Afghanistan, the Young Leaders for Governance Programme, a significant partnership with SNV (Foundation of Netherlands Volunteers) working through five Country Offices, and regionally to support the MDGs.

The Young Leaders in Governance Programme has completed its first phase with 131 graduates, and 16 graduates trained as leadership trainers. For its second phase, the programme has been accorded resources from the UN Democracy Fund. In this phase, national level engagement will be enhanced. A similar programme has been started in the Caribbean with technical support from the Centre. The Pacific has also been similarly supported.

Capacity2015 is UNDP's focal point for the UNDP-SNV MoU(s) on "Capacity Development Innovations and Capacity Development for achievement of the MDGs at the local level". Under this partnership, five countries in the region received policy advice and technical backstopping for developing programmes that will be financed through Capacity2015 resources. Grants have already been made to Bhutan and Nepal Country Offices. Regional activities are in the offing.

A significant new area of work has been the collaboration with the regional MDG Initiative. The Centre has provided support to the specific areas of costing capacity investments in Bhutan, and to overall monitoring of capacity change.

In India, at the invitation of the Resident Coordinator, the team conducted a workshop for UN Country Team heads of agencies, staff and UNDP staff on conducting capacity assessments and deriving capacity development strategies based on those. The India UNDAF/P has now incorporated capacity development interventions centrally into the new programme. In Vietnam, a similar presentation was made to the Country Office and some follow-up activities started thereafter. The Centre has been increasingly called upon to provide technical support to other UN agencies.

Advisory missions on capacity development have also increased and the two key Practice areas of Poverty and Governance have regularly drawn on specialised advisory support. In Afghanistan, Timor Leste, Vietnam and India, capacity development advisory support has led to concrete outcomes in the form of new initiatives or a rigorous capacity development component within existing initiatives. To illustrate, in Afghanistan, as part of an overall initiative to support capacity development in the public sector, the Centre designed and negotiated a capacity development facility that will provide mentors and coaches to the Afghan civil service on an ongoing basis. Subsequently, the governments of Afghanistan and India have entered into a MoU where Indian civil servants will provide these coaching and advisory roles under the auspices of a UNDP programme and a UNDP-designed curriculum.

In the Philippines, Capacity2015, the UNDP Country Office and Galing Pok Foundation (an NGO), initiated a programme on recognising and rewarding local level capacity innovations.

The Centre has produced or contributed to the publication of two training manuals for Young Leaders in Governance. Both were used in the leadership trainings and the training of trainers under the leadership development programme.

A compendium documenting experiences of local-level capacity innovations towards MDG attainment in selected local government units in the Philippines was also produced in cooperation with UNDP Philippines and Galing Pok Foundation.

The first issue of the *Capacity Development in Action* series (CDiA) documenting the capacity development story in Afghanistan was published. The report summarizes developing systemic, organizational, and individual capacities under the challenging conditions prevailing in Afghanistan.

This year the Centre produced 11 practice notes on various aspects of capacity development. The Centre substantially wrote or contributed to three: i) *Capacity Diagnostics: Capacity Assessment Methodology*; ii) *Leadership Development: Leading Transformations at the Local Level*; and iii) *Institutional Reform and Change Management: Managing Change in Public Sector Organizations*.

G.4: Communications and Programme Advocacy

The effects of chronic poverty, social exclusion, and water governance captured headlines, as millions continued to rebuild their lives following devastating earthquakes, tsunamis and mud slides. Uneven economic growth threatened poverty reduction efforts. A number of countries descended into crises as a result of emerging pressures on resources. The rapid growth of Chinese and Indian economies continued to influence trends in other countries.

The diversity and breadth of development challenges in Asia-Pacific presented a particular quandary in ensuring that those who need it most could benefit from the Centres' knowledge and experience, through the Communications Team in Bangkok and the Programme Advocacy and Media Team in Colombo. These teams work closely and collaboratively together but respond to different mandates, with the Communications Team working directly with COs and the Office of Communications at Headquarters and the Programme Advocacy Team serving as an in-house mechanism focused on supporting RBAP and the Regional Programmes in Colombo, as a direct result of discussions with the Management Board.

The Centres generated and sustained media interest by connecting their work to breaking news or by demonstrating concrete results of larger processes. Moreover, they confronted a high turnover of communications officers at the national level, which presented separate challenges in ensuring capacity and continuity.

Two regional Public Service Announcements on corruption were produced and distributed to Country Offices. One ran on CNN, Star TV, and in Bangladesh, Malaysia, Philippines and Thailand, through the Country Office distribution. The commercial won a silver prize in a Saatchi and Saatchi contest on broadcast for advocacy. It continues to be used in MDG regional conferences and training workshops.

The Communications Team in Bangkok drafted the press kit for the Timor-Leste Human Development Report and worked in collaboration with the Country Office on the launch. Articles appeared in the Economist, Times of London, CNN International, BBC World TV and extensive multiple media in Australia.

The Communications Team in Bangkok advised on media outreach material for the UNDP Human Development Award, in cooperation with the Country Office in Thailand and the UN Information Centre. The UN Secretary-General presented the Award to the King of Thailand.

The UN team in Pakistan received media outreach support during the one-year anniversary of the earthquake. International coverage that resulted from the assistance included live pieces on CNN, BBC, and MSNBC.

During the political crisis in Nepal, the Communications Team in Bangkok supported the Country Office in international media outreach. We communicated core UNCT Nepal messages that resonated with regional and international media outside Nepal, and we placed colleagues in live interviews on CNN International and BBC World Service TV. In Afghanistan, the Communications Team in Bangkok helped to promote the first national Information and Communication Technology Conference. A feature ran in the Economist. In China, the Communications Team in Bangkok edited an Opinion-Editorial on the Silk Road for the Country Office which ran in the South China Morning Post.

The Communications Team in Bangkok engages in global and regional campaign roll-outs, particularly Millennium Development Reports and Human Development Reports. It assisted in the outreach for the "Stand Up Against Poverty" campaign, which was spearheaded by the Millennium Campaign Office. It also served as a resource for advice and sharing of communications experiences within and outside the Asia-Pacific region.

The Communications Team in Bangkok managed the content and organization of a regional training on media reporting on corruption for journalists across the region, in cooperation with BBC World Service Trust, the Asian Institute for Broadcast Development and the Asia Media Summit. The aim was to provide skills training as well as substantive information on ethics, corruption and governance issues in Asia. The trained journalists form a core resource group for coverage of the 2007 corruption report.

The Communications Team in Bangkok trained 20 national environment officers in communications strategies and media relations to help Country Offices promote upcoming reports on energy access for the poor. For many, it was their first communications and media training.

With BBC World Service, the Communications Team in Bangkok conducted a communications strategies workshop for the Country Office in Laos and drafted a national strategy in collaboration with the national communications officer. In other services, it advised Country Offices on a range of needs: developing content for websites, providing Terms of Reference for staff and identifying candidates for positions. Country offices requesting desk help included Afghanistan, Maldives, Sri Lanka, Laos, Malaysia, Thailand, Pakistan, Timor-Leste, China, Vietnam, Indonesia, Nepal, and Samoa.

Effective communications are vital in helping every Country Office inform partners, the media and the public about UNDP's work as a global development network. Together with Country Offices and

partners, the Regional Centres must enhance capacity to shape core messages, and coordinate timing and resources.

The high turnover of national communications officers will be addressed. Of the 30 officers who took part in the regional capacity building workshop in 2005, approximately half remain in place to carry forward the work. The Communications Team in Bangkok will aim to hold a regional training and capacity building workshop with all of the national communications officers in the Country Offices.

For its part, the Programme Advocacy Team in Colombo focused on deepening access to knowledge of UNDP's regional work through development of a comprehensive, highly interactive web site, even as it became more specialized in support to high-profile advocacy events. Trade issues, particularly China's trade impact on the poorer countries of Asia-Pacific, helped fuel media interest in the region's first APHDR, *Trade on Human Terms*. The Programme Advocacy and Media Team supported the finalization of the Report and developed an extensive media kit for regional use, while the Communications Team in Bangkok coordinated regional media coverage. Extensive coverage was recorded in national, regional and international media. Most notably, the Wall Street Journal, International Herald Tribune, BBC, USA Today and CNBC provided in-depth analysis. A series of six international and national opinion pieces following the launch of the Report have run in publications from Far Eastern Economic Review to *Utusan*, a Bahasa Malaysia-language newspaper; more opinion pieces are scheduled as part of continuing follow-up. The extensive national and international coverage of the report helped to fuel debate and generate round-table discussions in Washington on technical trade issues – and UNDP's role in them. Through private sector funds raised by the Communications Team in Bangkok, more media development workshops will be held in the lead-up to the APHDR 2007 on corruption.

Part 3

Organization and Management

3.1 Analysis of Human Resources and Staffing

With the official inauguration of the Regional Centre in Colombo in April 2006, staffing at RCC largely finished its consolidation and totaled 71 at the end of 2006. Sixty percent were professional staff, encompassing locally and internationally recruited staff comprising 14 different nationalities, with half (50 percent) coming from Asia-Pacific. At the end of 2006, the Centre stood “gender- balanced,” with a female-to-male ratio of 1:1 and a programme-to-operations staff ratio of 4:1.

The direct assumption of project execution responsibilities meant that the RCC was able to engage in delivering its services more efficiently than before, and to put in place cost-recovery systems. In January 2006, RCC initiated direct execution of regional projects, starting with the HIV/AIDS Regional Programme, previously directly executed by the India Country Office. The rest of the RCC programmes migrated to DEX in March.

At the Regional Centre in Bangkok, the staff complement totaled 96 at the end of 2006. Fifty-six percent were in the professional category, with female staff overall numbering 55, while male staff totaled 41. In terms of nationalities, 23 countries were represented, with 64 staff coming from countries in Asia-Pacific (78 percent from Thailand). Thirty-five percent of the staff make up the Operations Support Team providing services to RCB, the Thailand CO, and 20 United Nations Agencies/Funds in Thailand as well as several COs in the region.

3.2 Financial Situation and Delivery

While the time period for implementing the workplan approved by the Management Board in April 2006 has been short, the two Centres have reached a high delivery rate while expanding their services [see Tables 1 and 2 below for financial delivery of Regional Programmes – core and non-core resources].

The consolidated delivery of core resources for the two Centres recorded in ATLAS at the end of the year stood at US\$8,891,386, or 92.8 percent of the regional core budget for 2006. Meanwhile, the consolidated delivery of non-core resources amounted to US\$6,851,121, or 77.6 percent of the regional non-core budget.

Table 1: Status of Delivery for Regional Projects - Core Resources

Programme	2006 ASL	2006 Expenditure	% Delivery
Asia Regional Governance Programme (ARGP)	1,730,000	1,566,600	90.6
Asia- Pacific Development Information Programme (APDIP)	856,000	862,296	100.7
Regional Indigenous Peoples Programme (RIPP)	542,931	513,023	94.5
Regional Sustainable Energy Programme (REP)	837,388	826,299	98.7
Millennium Development Goals Initiative (MDG-I)	1,000,000	843,012	84.3
Asia-Pacific Gender Mainstreaming Programme (APGMP)	850,000	799,165	94.0
Asia-Pacific Trade and Investment Initiative (APTII)	750,000	736,589	98.2
Asia-Pacific Human Development Reports Initiative	1,300,000	1,297,768	99.8
Macroeconomics of Poverty Reduction Programme (MPRP)	960,000	698,555	72.8*
Regional HIV and Development Programme	750,000	748,079	99.7
TOTAL: Core Resources	9,576,319	8,891,386	92.8

* Financial cap of US\$500,000 placed on MPRP before merger with MDG-I. This includes 460,000 for SAARC for 2006 - 2008

Table 2: Status of Delivery for Regional Projects - Non-Core Resources

Programme Area	Cash Limit	Expenditure	% Delivery
Capacity Building for Sustainable Recovery & Risk Reduction (CBfSR)	1,583,160	1,505,552	95.1
Tsunami Aid Coordination (TAC)	2,083,317	1,862,564	89.4
Cap2015 Asia (new)	214,851	187,026	87.0
South-South Support to Tsunami Affected Countries	254,412	271,790	106.8
South-South GFDRM	355,002	241,850	68.1
Millennium Development Goals Initiative (MDG-I)	1,200,000	329,389	27.4*
Asia-Pacific Gender Mainstreaming Programme (APGMP)	62,462	57,007	91.3
Asia-Pacific Trade and Investment Initiative (APTII)	1,073,060	817,775	76.2
Asia-Pacific Human Development Reports Initiative	303,118	284,828	94
Macroeconomics of Poverty Reduction Programme (MPRP)	---	---	---
Regional HIV and Development Programme	1,607,875	1,293,340	80.4
TOTAL: Non-Core Resources	8,832,257	6,851,121	77.6

* Resources for this new project largely were raised late in 2006

3.4 Strategic Partnerships and Resource Mobilisation

The need to mobilize resources acquired greater urgency in 2006 as core Regional Programme resources became constrained, mainly due to higher-than-normal delivery rates in 2005. To this end, the Regional Centres prepared a resource mobilization strategy aimed at meeting the resource mobilization targets established by RBAP at the time various Regional Programmes were approved. The strategy involved working with existing partners and exploring opportunities with new ones, in particular emerging donors and the private sector. It also included support to Country Offices' resource mobilization efforts.

The resource mobilization (RM) challenge for regional activities is particularly acute for a variety of reasons, among which are: (a) very few donor institutions or countries have explicit and recurring allocations for regional interventions; (b) in a highly competitive environment for donor funds, funding has tended to remain at the global and country levels; (c) partnerships for RM purposes are a long-term effort and Regional Programmes' duration range from two to four years (the Regional Centres being a recent creation), with no institutional anchoring in most cases to sustain Programme interventions.

To address these challenges, the resource mobilization strategy included the following key elements:

- Establishment of a dedicated capacity for RM within the Regional Centres, with a strong coordination mechanism so that donors are strategically approached and RM efforts (at country, regional and corporate levels) are aligned
- Development of better intelligence on donors and non-traditional partners, with a view to pursuing targeted partnerships and creative funding modalities
- Development of an RM communication strategy for branding purposes of the Regional Centres, as well as to raise the value of regional public goods

The results of the two Regional Centres' resource mobilization efforts in 2006, although limited, show potential for growth. As an initial step in approaching potential donors, the Centres co-organized two information exchange meetings with the Bangkok-based offices of bilateral and multilateral donor agencies. Twelve donor agencies participated in the first meeting and 14 in the second. Based on the interest generated to continue to identify concrete areas of collaboration, it was agreed that the first meeting in 2007 would focus on the environment and would be hosted by ADB in cooperation with SIDA.

The Regional Centre in Bangkok served as a regional focal point for private sector partnerships, providing technical and operational assistance to the tsunami-affected countries, with close coordination and support by BRSP. An MOU was signed corporately by Coca-Cola under which this company provided funding for water supply and sanitation projects in tsunami-affected countries and seconded a staff member to RCB for one year to coordinate this effort and promote the partnership with UNDP. Beyond tsunami reconstruction, in October 2006, RCB signed a partnership agreement with the French multinational, Total, covering the areas of democratic governance and energy services. The ICT4D area (i.e., APDIP) continued its successful resource mobilization efforts with partners such as Cisco Systems, IBM, Oracle and Intel Corporation. In addition, APDIP was able to mobilize almost US\$600,000 in cost-sharing resources through various strategic partnerships with other United Nations Agencies, bilateral and multilateral agencies. Partners include International Development Research Centre of Canada, Swiss Agency for Development and Cooperation and Open Society Institute.

At the Regional Centre in Colombo, a Memorandum of Understanding was signed with the Republic of Korea as a result of which funding was secured for two proposals, namely: (a) US\$ 600,000 for building anti-corruption capacities for implementing the MDGs, in collaboration with Korean institutions and (b) US\$1 million for the MDGs in Mongolia. A package of \$10 million for MDG-I was prepared.

Following the Administrator's visit to Japan and other donor countries, the MDG-I team undertook a mission to the United Kingdom, Japan and other stakeholders, where strong interest was expressed to provide resources for the MDG-I rollout. A consultant also was hired to make a professional fundraising proposal, which will be implemented from 2007 onward.

The HIV/AIDS Programme mobilized resources from a variety of sources: the Japanese Government (HIV/AIDS and human security), CIDA (mobility and HIV/AIDS), UNAIDS – UBW (strengthening HIV/AIDS responses), JBIC (HIV/AIDS prevention – pilot initiative in Sri Lanka), AusAid (HIV/ AIDS in the Pacific), Global Fund and EU (HIV, trafficking and mobility for SAARC region).

The following table shows the level of non-regular resources mobilized in 2006 against the 2006 RM target established for core-funded Regional Programmes.

Overall, resources mobilized for all Regional Programmes over the past two years (\$6,885,932) have exceeded the targets set in 2006 (\$6,652,097), with about half of the resources mobilized in 2006 spent in the same year, and roughly the same amount budgeted overall in 2007. The wide variations in individual programmes between 2006 and 2007 underscore the previously noted difficulty of persuading donors to contribute at the regional level.

Table 3: Resource Mobilization

Programme Areas	2006 RM Target	Resources mobilized in 2006 and budgeted in 2006	Resources mobilized in 2006 and budgeted in 2007
MDG-I	\$ 2,100,000	329,389	870,611
Trade	\$ 617,060	817,775	255,285
HDRU	---	284,828	---
Gender	\$ 750,000	57,007	---
HIV & Development	\$ 1,617,037	1,293,340	1,450,000
Democratic Governance	\$ 600,000	166,175	426,200
Indigenous Peoples	\$ 250,000	0	70,000
Energy for the Poor	\$ 300,000	74,708	150,292
APDIP	\$ 418,000	527,611	112,711
Total	\$ 6,652,097	3,550,833	3,335,099

Part 4

Opportunities and Challenges

With two years of lessons learned from regional public goods delivery and CO support, as well as from working with a range of stakeholders, the Regional Centres have entered a phase of consolidation. At the same time, they recognize the huge challenges of delivering as “One UN” and are preparing themselves to support the delivery of new Regional Programmes under the RPD 2008 – 2011 in the larger programmatic context of the new Strategic Plan.

In looking ahead at opportunities and challenges, the following are worth highlighting:

1. Strengthening Partnerships with United Nations Agencies and Donors

The Regional Centres are at the forefront of forging partnerships with regional UN Agencies in the context of the “One UN” agenda and via the programmatic framework of the MDG Initiative, the core underlying principle of which is engagement of United Nations Country Teams. The MDG-I is currently seeking stronger engagement with the Bretton Woods Institutions and ADB on MDG-based strategies and related macroeconomic policy choices. Similarly, the MDG-I has been undertaking collaborative work with the ExCom Agencies as well as with ILO, UNESCAP and UNEP. The ability of countries to easily access United Nations System-wide technical resources, as well as those available in bilateral and multilateral development agencies, to support their MDG attainment efforts should be at the top of the Regional Centres’ support role to countries from 2007 onward.

2. Linking Better with Asia’s Growing Intellectual Capital

While the Regional Centres continue to increase their in-house capacity in the focus areas of the new corporate Strategic Plan, it also is critical to continue to expand the network of external expertise. This will reduce transaction costs of access to Asia-Pacific and global knowledge by Country Offices. MDG-I will organize a conference on regional intellectual partnerships in 2007, aimed at practical ways of utilizing Asia-Pacific’s growing human capital for UNDP’s regional public good provision, as well as for support to Country Offices.

3. Improving the Quality and Impact of Regional Publications

The Regional Centres have produced some excellent publications that have attracted enormous media attention, particularly the APHDR 2006. Some publications have provided invaluable policy-oriented material, used at least in one instance by a Nobel Laureate. The Regional Centres will institute a quality assurance mechanism, including an institutionalized peer review process, for all regional publications.

4. Deepening Advocacy and Communications

Effective advocacy is crucial to the success of the Regional Centres’ work and can help them go a long way in influencing public interest and policy, as was indicated by the publicity attained from the launch of the first APHDR in 2006. Building on this success, it is important that the strategic communications outreach from the Regional Centres ensures that effective use is made of global, regional and national communications resources in UNDP and the wider United Nations family.

5. Measuring the Quality and Impact of Our Overall Services and Products

The service tracker developed by RCC, which is being adopted by RCB will include a monitoring module (encompassing a client feedback mechanism) for all products and services delivered by the two Regional Centres. This database should form the foundation for a more systematized corporate results-based monitoring/measurement system with agreed performance indicators for the delivery of services and products by the Regional Centres.

6. Gauging New Demands and Responding Rapidly to Country Office Needs

If the Regional Centres are to truly fulfil their mandate as development hubs for Asia-Pacific, they ought to be able to fully gauge demand for development services and respond rapidly to those needs. To this end, shifting from a pre-planned project model to a more service-oriented model would be important, where there are fungible resources that can be used to respond rapidly to emerging issues of concern to the region and to clusters of countries with similar development contexts.

7. More Strategically Engaging with Civil Society and the Private Sector

The Regional Centres have placed a strong emphasis on partnerships with civil society and the private sector. Important gains have been made in 2006, as documented earlier. However, many opportunities remain to be exploited, and a strategy is required to build partnerships with new dynamic civil society and private sector coalitions.

8. Securing Sustainable Funding as a Means to Stability and Long-Term Institutionalization

For the longer term, it is important for the Regional Centres to not be seen as only funded by the Regional Programmes they directly execute. Incorporating the Regional Centre budgets into the UNDP biennium budget would contribute to current issues of stability and long-term institutionalization of its services.

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