



**United Nations**

**Executive Board of the  
United Nations Development  
Programme/United Nations  
Population Fund**

**Report of the Executive Board on its work  
during 2008**

**Economic and Social Council  
Official Records, 2008  
Supplement No. 15**

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*Note*

Symbols of United Nations documents are composed of capital letters combined with figures.

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**Part one**  
**First regular session 2008**

**Held at United Nations Headquarters in New York  
from 21 to 28 January 2008**

## I. Organizational matters

1. The first regular session 2008 of the Executive Board of UNDP and UNFPA was held at United Nations Headquarters, New York, from 21 to 28 January 2008.

2. The Executive Board elected the following members of the Bureau for 2008:

President	H.E. Mr. Jean-Marie Ehouzou (Benin)
Vice-President	Mr. Mahmudul Karim (Bangladesh)
Vice-President	Mr. Gustavo Endara (Ecuador)
Vice-President	H.E. Mr. Peter Burian (Slovakia)
Vice-President	Mr. Thomas Gass (Switzerland)

3. The Executive Board adopted the agenda and work plan for its first regular session 2008 (DP/2008/L.1), and adopted the report of the second regular session 2007 (DP/2008/1 and its corrigendum, DP/2008/1/Corr.1). The Executive Board adopted the annual work plan for 2008 (DP/2008/CRP.1) and approved the tentative work plan for the annual session 2008.

4. The Executive Board agreed to the following schedule for the remaining sessions of the Executive Board in 2008:

Annual session 2008:	16 to 27 June 2008 (Geneva)
Second regular session 2008:	8 to 12 September 2008

5. Decisions adopted by the Executive Board in 2007 were included in document DP/2008/2, accessible at [www.undp.org/execbrd](http://www.undp.org/execbrd).

### *Administrator's statement*

6. The Administrator noted that the current negative forecast for advanced economies was expected to be offset by growth in some large developing countries. He cited advances in poverty reduction in the least developed countries, notably in sub-Saharan African economies. Surveying worldwide progress on the Millennium Development Goals, he praised strategies emerging in disadvantaged regions that were succeeding through a combination of strong government commitment, human development supportive policies and investment frameworks, buttressed by adequate international support. He acknowledged that replicating such progress would be a priority for UNDP, as set out in its updated strategic plan, 2008-2011.

7. He emphasized that, in 2008, UNDP would continue to provide policy and technical support across its focus areas, while promoting and supporting gender equality and women's empowerment, by helping to strengthen human and institutional capacity for the successful design and execution of country-owned national development strategies and programmes. Less duplication and greater efficiency and effectiveness were essential for the United Nations and UNDP to function optimally, he asserted, citing ongoing efforts to 'deliver as one'. He underscored that joint programming at country level needed to be tailored to specific national circumstances in partnership with governments. He reaffirmed that United Nations and UNDP operations would be guided by the prescriptions of the 2007 triennial comprehensive policy review of operational activities for development of the United Nations system, which recognized the central role of resident coordinators in ensuring alignment and accountability of United Nations system activities to national authorities and development strategies.

8. Turning to UNDP programming priorities, he noted that:

(a) *Crisis, internal conflict and state failure are the most important obstacles to human development progress*, and UNDP is leading the United Nations system in early recovery interventions, including finding creative, adaptable ways of mobilizing resources;

(b) *Sustainable development and climate change are inextricably linked*, and UNDP must urgently follow up the successful advocacy of the Human Development Report 2007 and the Bali Conference on Climate Change to ensure that resources are scaled up and the private sector engaged to address adaptation, mitigation and clean-energy strategies; and

(c) *Developing institutional capacity at all levels is at the heart of UNDP interventions*, and UNDP needs to remain creative and attuned to local conditions in responding to national plans, prioritizing South-South cooperation wherever possible.

9. The Administrator invoked the 11 December 2007 terrorist attack on the United Nations in Algiers as evidence of a heightened security risk for United Nations personnel, and reaffirmed the determination of the administration to mitigate this risk. Accordingly, he called on host governments and Member States to strengthen security as a matter of priority, and on all country offices to ensure compliance with the minimum operating security standards.

10. He announced that an updated version of the strategic plan, 2008-2011, had been posted on the Executive Board website, following extensive consultations in connection with the provisions of decision 2007/32. He confirmed that the Board would review the elements of the strategic plan at its annual session 2008.

11. Delegations reaffirmed the importance of achieving the Millennium Development Goals, many acknowledging the urgency of responding to climate change, empowering women and strengthening South-South cooperation. They stressed the importance of securing adequate, timely and predictable funding to support least developed countries in achieving the Millennium Development Goals. Some urged UNDP to focus particularly on sub-Saharan Africa. Delegations reiterated to UNDP the importance of fulfilling its core mandate and leveraging its strengths while continuing to develop strategic partnerships with governments, other United Nations bodies and multilateral organizations. They praised the accountability framework and oversight policy, as well as the results-based format of the biennial support budget, as efforts to enhance transparency and better measure results. Several anticipated valuable lessons from the report on the pilot offices. Some urged UNDP to fulfil its commitment to making more information available online, noting unevenness in the availability of country programme results and assistance data.

12. Delegations conveyed their condolences for the victims of the Algiers attack, and endorsed the Administrator's call for strengthening security measures.

13. Several delegations expressed regret that the period following the posting of the updated strategic plan had allowed little time for subsequent review and informal consultation. They pointed out that the decision on the strategic plan taken at the second regular session 2007 did not preclude such consultation, which they felt would have guided deliberations on the strategic plan as it related to the biennial

support budget. They asked that recommendations contained in the reports on the evaluation of results-based management and of South-South cooperation be reflected in the revised strategic plan, 2008-2011, to be presented at the annual session 2008 of the Executive Board.

14. Delegations reaffirmed the central role of UNDP in coordinating United Nations activities at the country level, stressing the importance of maintaining impartiality and enforcing the highest ethical standards in managing the resident coordinator system. One delegation registered strong approval of the commitment to train resident coordinators in matters of trade. This delegation emphasized that the United Nations had an important role to play in reducing barriers to trade and in developing the private sector worldwide, and called for closer collaboration among United Nations organizations in that regard. Another delegation urged UNDP to ensure that the costs of the resident coordinator system not divert resources away from programme assistance.

15. Regarding efforts to improve accountability and oversight, several delegations maintained that UNDP effectiveness should be measured on the basis of its impact on progress toward internationally agreed development goals, including the Millennium Development Goals. Some pointed out that improvements to transparency and accountability stood to benefit all Member States by providing evidence of development results. They recommended clearer distinctions between internal monitoring indicators and those designed to measure broader strategic impact.

16. A number of delegations identified climate change as a major development challenge that should figure prominently in the 'delivering as one' agenda. Some hailed the 2007 Human Development Report as timely and insightful, and urged UNDP to continue to develop programmes to assist developing countries in their adaptation efforts.

17. Some delegations expressed concern over the decline in official development assistance and the proportion of core resources, and called on donors to observe aid targets. Some delegations used the opportunity to announce substantial increases in pledged support.

18. Delegations reaffirmed the four thematic focus areas for UNDP. Some singled out crisis prevention and recovery as a priority within their own governments, while others reiterated the importance of addressing cross-cutting issues such as women's empowerment and South-South cooperation in all areas of programming.

## **UNDP segment**

### **II. Financial, budgetary and administrative matters**

19. The Administrator presented the biennial support budget, 2008-2009, in the new results-based format, and indicated that total resource contributions for the period were estimated to be \$10.1 billion. He underscored that estimates in the biennial support budget built on the 2004 and 2007 triennial comprehensive policy reviews. In that regard, he proposed a net biennial support budget, 2008-2009, funded from regular resources of \$779 million. The Administrator described the rationale for the number of proposed new senior-level posts and upward reclassifications of existing

posts. He addressed the overall security situation and proposed a global UNDP earmarking for meeting security requirements of approximately \$87 million for the 2008-2009 biennium.

20. Delegations welcomed the results-based presentation of the biennial support budget, 2008-2009. In so doing, they encouraged greater harmonization of methodology and results with partner organizations. They expressed the view that support budget funding should increasingly be covered from other resources, in line with the need to achieve more equitable burden-sharing between regular and other resources. Several delegations expressed satisfaction with overall improved UNDP funding levels, with respect to regular and other resources as well as to cost recovery allocations.

21. Delegations urged UNDP to develop objectively verifiable indicators with stronger linkages to the strategic plan, 2008-2011. Some called for better harmonization of management functions and cost classifications, and for more precision in the scope and depth of anticipated results.

22. Delegations encouraged UNDP to implement the recommendations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), especially with respect to improving transparency, containing costs, increasing efficiency, strengthening linkages to programmatic activities in line with national development priorities, and the overall rationale for the number of post reclassifications proposed to the D-2 and D-1 levels. Some delegations called for a more comprehensive presentation in the budget document, providing further details on major objects of expenditure and sources of funding. One delegation asked management to provide a schedule for implementing the recommendations.

23. Many delegations stressed the importance of keeping the support budget low in proportion to programming resources by limiting post upgrades and reducing travel expenses through the optimal use of technology. They recommended that UNDP find innovative ways to meet country demands while minimizing recurring costs. In that regard, several delegations proposed more efficient recruitment and training of national staff, one delegation noting with concern a decline in the number of local staff since 2004, and in the ratio of national to international staff.

24. Some delegations proposed reviewing the approval cycle of the biennial support budget, working with partner organizations to increase efficiency.

25. The Executive Board adopted decision 2008/1 covering the UNDP biennial support budget, 2008-2009; additional United Nations-mandated security measures for UNDP personnel and premises; and the introduction of the International Public Sector Accounting Standards. The Board approved regular resources of \$853.6 million (gross) for the 2008-2009 biennial support budget, \$51.2 million to cover security measures mandated by the United Nations, and \$9 million to cover the cost of introducing the International Public Sector Accounting Standards. The Board took note of the ACABQ finding with respect to the need for stronger links to proposed programmes, and their concern regarding upward post reclassifications. The Board requested UNDP to provide, in future support budgets, a breakdown by cost category for major expenditures showing efficiencies gained against specific targets, and to exercise restraint in implementing its proposed upward reclassifications. The Board also requested UNDP to address the issues of increased efficiency; the harmonization of cost classifications; improved burden-sharing

between regular and other resources; and the continued harmonization and enhancement of results-based budgeting.

26. The Executive Director, United Nations Fund for Women (UNIFEM), presented the UNIFEM biennial support budget and the management response to the ACABQ report. The proposed budget called for a \$7 million increase and nine new posts, with nearly half the attendant costs for the latter dedicated to supporting strategic plan objectives in the field. The Executive Director projected a decrease of over 3 per cent in the share of the support budget to the total use of resources. She noted a continued upward trend in income, noting that core resource contribution pledges for 2008 were already surpassing projections.

27. Delegations expressed appreciation for the increased support of women's empowerment and gender equality as central pillars of development. Some delegations took the floor to pledge substantial increases in support to UNIFEM.

28. Delegations proposed that UNIFEM, together with UNDP and other partner United Nations organizations, review the approval cycle for the biennial support budget to increase efficiency.

29. One delegation asked about contingency measures should UNIFEM fail to meet funding projections — specifically, whether programmes would be cut, and if so, which ones. In response, the Executive Director assured delegations that if projections could not be met, the support budget would be reduced before the programme budget, in a phased approach.

30. The Executive Board approved gross appropriations of \$23,044,000 and called on countries in a position to do so to increase regular contributions to UNIFEM. The Board requested UNIFEM to provide in future support budgets a breakdown by cost category for major expenditures showing efficiencies achieved against specific targets. The Board urged UNIFEM to continue efforts to harmonize and improve efficiency with a view to reducing the proportion of support resources and increasing that of programming resources.

31. The Board adopted decision 2008/2 on the UNIFEM biennial support budget, 2008-2009, and the UNIFEM resources mobilization framework.

### **III. Country programmes and related matters**

32. The Associate Administrator, UNDP, presented, and the Executive Board approved, regional programmes for Africa, Asia and the Pacific, and Latin America and the Caribbean, as well as the following two multi-country programmes and 14 country programmes:

*Africa:* Regional programme, Comoros, Democratic Republic of the Congo, Equatorial Guinea, Liberia, Madagascar, Rwanda and Togo;

*Arab States:* Kuwait and Somalia;

*Asia and the Pacific:* Regional programme, multi-country programmes for Fiji and Samoa, and Nepal; and

*Latin America and the Caribbean:* Regional programme, Colombia, Costa Rica, Mexico and Nicaragua.

33. Several delegations took the floor to thank UNDP for its support and to praise the consultative process employed in preparing the regional and country programme documents.

#### **IV. Evaluation**

34. The Director of the Evaluation Office presented a report on the evaluation of results-based management in UNDP. While observing similarities with the experiences of other early adapters of results-based management, the evaluation found: (a) that RBM had a limited impact on country portfolios; (b) a need for clearer substantive oversight role from the regional bureaux; (c) insufficient means of developing a results-oriented culture; and (d) corporate misalignment with country-level operations. The report recommended a stronger management commitment to a culture of results; a clearer delineation of corporate goals and programme outcomes; improved country office capacity to 'manage for outcomes'; and an expanded use of audits and evaluations.

35. The Associate Administrator, presenting the management response to the evaluations (DP/2008/7), described ongoing efforts to respond to challenges identified in the evaluations. He noted a proposed increase in evaluation resources, and expressed the commitment of management to forging a results-based institutional culture.

36. Delegations welcomed the evaluation report on results-based management as timely, indicating that the findings were consistent with their own observations that the reporting of results during the period of the last strategic plan, 2004-2007, was weak, and that country programme performance data had not been made available since the Board requested it in early 2006. While acknowledging the complexity and limitations of the results-based approach, several delegations recognized its value in measuring effectiveness. They emphasized that performance assessment and reporting systems could be simplified without compromising data quality. Delegations took note of the instruments used to measure results, such as the 'balanced scorecard' and the results and competency assessment. They also encouraged UNDP to build flexibility into corporate standards so as to remain adaptable at the country level.

37. Delegations urged senior management to move beyond directives and communicate in broader, more effective ways to instil a results-oriented culture throughout UNDP. They encouraged UNDP to continue adapting incentive structures to results-based approaches, noting that skills and mindsets also needed reorienting toward results. Many urged senior management to ensure consistent messaging across the range of initiatives, and to establish clear lines of oversight. Some delegations asserted that performance assessment was more important than reporting in developing a results-oriented culture.

38. Delegations posed a number of questions regarding the findings of the evaluation report and the UNDP management response, and requested that UNDP management and the Evaluation Office provide their responses on the Executive Board web page. Delegations stated that discussions on this important issue should continue.

39. Some delegations urged UNDP to align results-based management initiatives more closely with national strategies, and to help strengthen the capacity of countries to use and interpret indicators. Many called for follow-up reports on the implementation of the recommendations, underscoring that UNDP bears equal reporting responsibility to recipient countries as to donors. Some advised UNDP to maintain a long-term perspective on results that might prove difficult to track over brief intervals. They reiterated that the results-based approach should not be an end in itself, but rather a means of ensuring the achievement of national development objectives. Others perceived a correlation between the gradual adoption of the approach over the years and the 'upstreaming' of development services, resulting in less tangible evidence of results and lower visibility at the grass-roots level.

40. The Director of the Evaluation Office presented a report on the evaluation of the UNDP contribution to South-South cooperation. The evaluation called for strengthening the resources and mandate of the Special Unit for South-South Cooperation; developing a robust approach at the corporate level; providing more effective institutional guidance; and strengthening system-wide collaboration on South-South initiatives.

41. The Director of the Bureau for Development Policy acknowledged the findings and provided examples of UNDP initiatives to strengthen South-South cooperation.

42. Delegations endorsed the conclusions of the report and affirmed the centrality of South-South cooperation to the development agenda. They urged UNDP to reflect this centrality in its programming, and to increase support to South-South cooperation activities among programme countries. They called upon UNDP to cultivate a robust approach to South-South cooperation in the fourth cooperation framework for South-South cooperation, as a complement to North-South cooperation for development. They called on donors to increase resources for that purpose.

43. Recommending specific improvements to the fourth cooperation framework for South-South cooperation, delegations requested a clearer delineation of the roles of developing and middle-income countries, and called for stronger cooperation on issues such as HIV and AIDS.

44. Many urged UNDP to strengthen the Special Unit for South-South Cooperation to optimize its system-wide coordination role. Citing examples of bilateral and regional cooperation among developing countries, many called upon UNDP to better monitor, capture and disseminate successful South-South initiatives and lessons. Some asserted that a more systematic approach was needed, with clearer indicators and outcomes; several extolled the merits of 'triangulation' (using three sources of data to verify and substantiate an assessment).

45. The Executive Board took note of the report on the evaluation of results-based management in UNDP (DP/2008/6) and the management response thereto (DP/2008/7). The Board also took note of the evaluation of the UNDP contribution to South-South cooperation (DP/2008/8) and the corresponding management response (DP/2008/9).



## V. South-South cooperation

46. The Director of the Special Unit for South-South Cooperation assured delegates that the fourth cooperation framework for South-South cooperation would take account of the recent evaluation, the recommendations of the triennial comprehensive policy review and the High-level Panel on System-wide Coherence, and that the unit would remain responsive to the demands of countries. He emphasized that the immediate priorities for the unit would include: (a) supporting national governments, country offices and partner organizations in focusing on Southern solutions to inclusive development; (b) improving knowledge-sharing; and (c) adopting a 'transactional' approach to cooperation.

47. Delegations recommended that South-South cooperation be prioritized in the strategic plan and mainstreamed at the policy level, to reflect the importance of its role as a catalyst for development.

48. Several delegations commended the sharpened analytical approach promised for the fourth cooperation framework, with its focus on knowledge transfer and policy support. Some reiterated the call to strengthen the mandate of the unit and to increase its flexibility to mobilize resources.

49. The Executive Board approved the extension of the third cooperation framework for South-South cooperation (DP/2008/10).

## VI. Programming arrangements

50. The Associate Administrator presented information on the target for resource assignment from the core (TRAC)-2 distribution methodology and the criteria for establishing fixed lines in the programming arrangements, noting that the flexibility built into the TRAC-2 facility that allowed the Administrator to allocate resources to high-impact activities and to reward programme quality.

51. Delegations requested more information on the management and evaluation of programmes funded under TRAC-1 and TRAC-2, as well as the support budget. Some delegations cautioned that the shift toward performance-based standards in TRAC-2 might demotivate staff from performing complex interventions in favour of simpler projects with easily attainable results. Delegations urged UNDP to ensure that programme countries remained involved in establishing criteria for TRAC allocations, and that allocations adequately addressed all countries. One delegation underscored the distinction between equality of opportunity and equality of results, encouraging UNDP to reward the most effective results. UNDP acknowledged the need for balance between responding effectively to development challenges and rewarding strong performance.

52. The Executive Board took note of the report on the TRAC-2 distribution methodology and fixed-line allocations (DP/2008/14).

## **VII. Gender in UNDP**

53. The Director, Gender Team, Bureau for Development Policy, presented an oral report on the 2007 gender action plan and the gender equality strategy, 2008-2011. She noted that UNDP had enhanced its role as a knowledge broker in the field, while acknowledging ongoing challenges in developing capacity, increasing accountability, monitoring progress and building partnerships.

54. Delegations expressed support for the action plan and commended UNDP on the progress made with respect to women's empowerment. They supported the gender equality strategy and encouraged UNDP to implement relevant elements of the triennial comprehensive policy review. Delegations encouraged UNDP to further mainstream gender, and to use gender-disaggregated data to measure results. They called for adequate resources, and for accountability at all levels.

## **VIII. United Nations Development Fund for Women**

55. The Executive Director, United Nations Development Fund for Women (UNIFEM), presented the UNIFEM resource mobilization framework, 2008-2011, as well as the cost recovery policy, and outlined the proposed goals for the period.

56. Delegations expressed strong support for the UNIFEM mandate and reiterated the importance of mainstreaming gender equality and women's empowerment across all development interventions. They commended UNIFEM for the positive appraisal by the ACABQ of its biennial support budget. They praised the clear objectives and priorities set out in the resource mobilization framework, which they felt aligned well with the UNIFEM strategic plan, 2008-2011. They welcomed the proposed diversification of funding sources and declared the proposal "realistically ambitious", given the upward trend in funding.

57. Delegations encouraged UNIFEM to "deepen, diversify and expand" in order to respond to the increasing demand for its services. Several described successful collaborations between UNIFEM and their governments, and pledged increased resources and support.

58. Many delegations called upon Member States to increase funding, and upon UNIFEM to emphasize core contributions and explore thematic funding arrangements. They urged UNIFEM to strengthen communications and to engage in more strategic partnerships with other United Nations organizations. Several delegations expressed support for the senior management view that UNIFEM should participate in all United Nations forums that affected its work.

59. The Executive Board adopted decision 2008/3 on the UNIFEM cost-recovery policy.

## **IX. United Nations Capital Development Fund**

60. The Executive Secretary, a.i., United Nations Capital Development Fund (UNCDF), presented the UNDP-UNCDF partnership framework, as well as the UNCDF programming and funding arrangements and cost-recovery policy. She highlighted initiatives in post-crisis countries as well as an increase in national

programme execution, citing examples of projects that had been successfully scaled up and replicated. She described plans to expand services from 39 to 45 countries by 2011.

61. Delegations praised the focus on the least developed countries, some expressing a desire to see UNCDF extend its coverage even further than projected. Some encouraged UNCDF to seek additional resources to support relevant populations within middle-income countries. Others applauded the broadening of the donor base to include many Southern donors, and cited the funding increase as evidence of support for the mandate and management of UNCDF.

62. Delegations commended the successful collaborations between UNCDF and other United Nations organizations and the clear linkages established between governance and access to capital. They noted with approval that the proposed expansion of services would require only a small increase in staff.

63. One delegation queried the percentage of UNCDF programmes not executed in collaboration with other organizations. Senior management responded that more than 95 per cent of UNCDF programmes were executed jointly with other organizations, to make full use of the comparative advantages of each. Another delegation, noting that the cost recovery policy included a waiver, requested further details on its purposes and restrictions. Management acknowledged that the cost recovery policy would need to be better harmonized with that of UNDP, but assured delegations that while the waiver had been built in for possible use in joint programming, thus far no need had arisen, nor was any anticipated. A third delegation, requesting an explanation for the projected decrease in allocations after 2010, was advised that the decrease contemplated the 'graduation' of some programme countries from low- to middle-income status.

64. The Executive Board adopted decision 2008/4 on the UNCDF partnership framework with UNDP, the programming and funding arrangements, and the cost-recovery policy.

## **X. United Nations Office for Project Services**

65. The Executive Director, United Nations Office for Project Services (UNOPS), presented the biennial planning and budget framework in results-based format. In presenting the \$120 million budget — an increase, owing to the combination of a weak United States dollar, inflation and salary increases — he pointed out that the present budget would cover certain functions previously performed by the Inter-Agency Procurement Services Office.

66. Delegations commended the efforts of senior management to improve effectiveness and financial transparency, noting the progress outlined in the recent report of the ACABQ. They encouraged UNOPS to follow the ACABQ recommendation that it provide more information on cost-saving measures and include information on major budget expenditures. They urged UNOPS to reconcile interfund balances with those of other funds and programmes and to resolve cost overruns. Some praised the effort to harmonize the budget format. The Executive Director reaffirmed financial transparency as a priority and announced that the first UNOPS annual report in many years would be presented at the annual session 2008.

67. The Executive Board adopted decision 2008/5 on the UNOPS biennial planning and budget framework.

## **Joint UNDP/UNFPA segment**

### **XI. Recommendations of the Board of Auditors**

#### *UNDP*

68. The Associate Administrator, UNDP, introduced the report on the implementation of the recommendations of the Board of Auditors, 2004-2005, noting that 95 per cent of the recommendations had been implemented. He confirmed that action on the remaining recommendations would be completed by the end of the first quarter of 2008. He described improvements in the timeliness and impact of audits of nationally executed projects. He mentioned Afghanistan, where the financial impact of such audits amounted to \$0.47 million as compared with \$17.9 million in 2005. Noting that national execution was strengthened by standards of mutual accountability for programme governments and UNDP, he described measures to strengthen internal controls in Atlas.

69. UNDP senior managers stated that only one country office had yet to complete its bank reconciliations.

#### *UNFPA*

70. The Deputy Executive Director (External relations, United Nations affairs and management), UNFPA, introduced the Fund's report entitled Follow-up to the report of the United Nations Board of Auditors for 2004-2005: Status of implementation of recommendations (DP/FPA/2008/3). She noted that to supplement the report a table with detailed information on each recommendation had been posted on the UNFPA web site.

71. The Executive Board took note of the reports of UNDP (DP/2008/15) and UNFPA (DP/FPA/2008/3).

### **XII. Internal audit and oversight**

#### *UNDP*

72. The Associate Administrator presented a report on the UNDP accountability system, including the accountability framework and the oversight policy and confirmed that UNDP would be responsive to the recommendations of institutional oversight bodies.

73. Delegations appreciated efforts to strengthen accountability and oversight, and encouraged continued engagement with Member States in following the recommendations of the triennial comprehensive policy review and the Executive Board. Many called for a clear definition of accountability and related concepts, the conditions under which internal audit reports would be disclosed and the information that would be subject to disclosure. Some delegations underscored the need to align accountability and oversight systems with country programmes,

asserting that improvements in transparency were a tool to achieve development effectiveness at the country level.

74. Delegations urged the funds and programmes to pursue a harmonized approach to audit disclosure and accountability in their increasingly decentralized operations. Some delegations said that disclosure should be permitted under limited circumstances, with the prior consent of the Executive Board and the countries involved, and should include a mechanism to hold the recipient of such information accountable for its use. They requested clarification concerning the role of programme countries in the disclosure process, and urged UNDP to safeguard against the misuse of information and the politicization of development work. Others encouraged UNDP to find ways of minimizing reporting requirements without sacrificing stakeholder confidence, and of ensuring effective operational controls.

#### *UNFPA*

75. The UNFPA Deputy Executive Director (External relations, United Nations affairs and management) introduced the UNFPA oversight policy (DP/FPA/2008/4) developed in response to decision 2007/29. The Associate Administrator, UNDP, presented the UNDP accountability system, including the accountability framework and oversight policy.

76. Delegations appreciated UNFPA and UNDP efforts to strengthen accountability and oversight, and encouraged continued engagement with Member States in following the recommendations of the TCPR and the Executive Board. At the same time, many delegations called for clearer definitions of accountability and related concepts, as well as of the conditions under which internal audit reports would be disclosed and the kinds of information that would be subject to disclosure. Some delegations underscored the need to align accountability and oversight systems with country programmes. They urged the funds and programmes to pursue a harmonized approach to audit disclosure inspired by the UNFPA proposal. Some delegations expressed the view that disclosure should be permitted under limited circumstances, with prior consent of the Board and of the countries involved, and with a means of holding the requester of the information accountable for its use. They requested clarification concerning the role of programme countries in the disclosure process, and exhorted UNDP to safeguard against the possible abuse of information disclosed and against the politicization of development work. Others urged UNDP to find ways to minimize reporting requirements without sacrificing stakeholder confidence and to ensure effective operational controls throughout a decentralized system.

77. The Deputy Executive Director (External relations, United Nations affairs and management) UNFPA, thanked the delegations for their useful and constructive feedback and assured them that UNFPA would fully engage in a consultative process, as in the past, and as called for by the Executive Board. She concurred with Board members that given the complexity of the issues additional time was needed for consultation. She assured the Board that there were regular consultations amongst the United Nations funds and programmes. The Director, Division for Oversight Services, UNFPA, stated that UNFPA had engaged in a consultative process in developing its oversight policy. He noted that UNFPA had circulated the draft document to the Representatives of Internal Audit Services (RIAS) and obtained their advice. Regarding the Audit Advisory Committee, he observed that it was a standard and most public institutions had such audit committees. Regarding the

single audit principle, he underscored that the United Nations system agreed on this principle and the United Nations Board of Auditors was solely responsible for the conduct of external audits. Concerning the disclosure of internal audits, he noted that while there were a variety of situations the common denominator amongst the system-wide organizations was that whenever there was a policy of disclosure it would be submitted to the respective governing body for approval.

78. The Executive Board adopted an oral decision requesting UNDP and UNFPA to revert to the Board at its second regular session 2008, after extensive consultations with the Board to review the pertinent UNDP and UNFPA documentation, taking into account the concerns of Member States.

### **XIII. Report to the Economic and Social Council**

79. On behalf of UNDP and UNFPA, the Director, Partnerships Bureau, UNDP, introduced the joint report of the UNDP Administrator and the UNFPA Executive Director to the Economic and Social Council. He described the ways in which the directives of the triennial comprehensive policy review were translated into action. He responded favourably to the suggestion of one delegation that the cost of United Nations coordination be evaluated and the results shared.

80. The Director, Strategic Planning Office, UNFPA, noted that the cost of coordination had been discussed in the Fund's budget document. Furthermore, the evaluations of the 'delivering as one' pilots would yield information regarding coordination costs.

81. The Board adopted decision 2008/7 (a) on the joint report of UNDP and UNFPA to the Economic and Social Council and (b) on the recommendation regarding the appointment of the Executive Director of UNFPA.

#### **UNFPA segment**

### **XIV. Statement by the Executive Director and financial, budgetary and administrative matters**

82. The UNFPA segment commenced with the statement by the Executive Director. She thanked the outgoing President and the Bureau members for their leadership and support and guidance to UNFPA. She congratulated the new President and the Bureau of the Executive Board. She paid tribute to Ms. Fama Ba, former Director of the Africa Division, UNFPA, who had retired in December 2007. The Executive Director focused on highlights of UNFPA in 2007 and the outlook for 2008. In the course of her statement she also introduced the proposed biennial support budget (BSB), 2008-2009. She paid tribute to UNFPA staff, many of whom worked in difficult and dangerous places. She referred to the recent tragedy in Algiers that took the lives of several United Nations staff, including three UNFPA staff members. She extended her sympathy to their families. She thanked the Member States for the condolences expressed on the passing away of her own mother on 8 January 2008. She stressed the importance of balancing private and public lives and humanizing the workplace.

83. The Executive Director noted that in 2007 UNFPA registered a record of 181 countries providing voluntary contributions to UNFPA (more countries than for any other United Nations organization), with regular resources rising to a record high of \$418 million in 2007 and co-financing resources hitting a record high of \$220 million in 2007. She thanked all Governments for their contributions and conveyed special thanks to the top ten donors of UNFPA: the Netherlands, Sweden, Norway, United Kingdom, Japan, Denmark, Germany, Finland, Spain and Canada. She also thanked the United Kingdom Government for the contribution of 100 million pounds over five years to the UNFPA Global Programme to Enhance Reproductive Health Commodity Security. She noted UNFPA achievements in 2007 in the areas of gender equality and reproductive rights; investment in adolescent girls; prevention of gender-based violence; response to humanitarian crises in 50 countries in 2007; technical assistance for censuses provided in more than 60 countries; the 2007 State of World Population Report; and UNFPA leadership in the 2007 Women Deliver Conference held in London.

84. The Executive Director stated that 2008 would be a milestone for UNFPA with the implementation of the strategic plan and with the Fund's reorganization to make UNFPA a more field-focused organization. She elaborated on various aspects of the Fund's reorganization. She noted that UNFPA would follow up on the Bali Conference on Climate Change. She emphasized the need to improve maternal health and drew attention to the recently established maternal health trust fund. She underscored the need to scale up reproductive health commodity security and called for increased efforts to prevent HIV infection. She announced that the 2008 State of World Population Report would have as its theme the role of culture in development. She stated that she was looking forward to participating in the Tokyo International Conference on African Development (TICAD IV) in Japan in 2008 and welcomed Japan's focus on health as an integral part of human security.

85. During the discussion, the Executive Board members expressed sincere sympathy for the UNFPA and United Nations staff members who were killed or injured in the terrorist attack in Algiers on 11 December 2007. Condolences were offered to their families, friends and colleagues. Board members also expressed sympathy at the passing away of the Executive Director's mother on 8 January 2008.

86. Delegations underscored the importance of UNFPA work in advancing the agenda of the International Conference on Population and Development (ICPD). They commended the Executive Director and the Fund's staff for their tireless efforts in assisting countries to realize the ICPD goals and the Millennium Development Goals. They appreciated UNFPA efforts in addressing fistula, female genital mutilation, gender-based violence, and HIV/AIDS. They underscored the importance of maternal health and the need to spur progress in achieving Goal 5. They appreciated the critical and leading role UNFPA played in United Nations reform.

87. Delegations expressed satisfaction regarding the record increase in contributions to UNFPA in 2007 and the Fund's expanded donor base of 181 donors, including all countries in sub-Saharan Africa. Switzerland announced that it would increase its contribution by 1.5 million Swiss francs for a total of 14 million Swiss francs. Ireland announced that its contribution to UNFPA had increased from 2.54 million euros in 2004 to 4.5 million euros in 2007, and it urged other donors to increase their contributions and consider making multi-year pledges. Netherlands stated that it would remain the UNFPA top donor with an annual contribution of \$90 million. The

United Kingdom referred to the additional 100 million pounds over five years that it was contributing to the UNFPA Global Programme to Enhance Reproductive Health Commodity Security.

88. Delegations welcomed and expressed support for the biennial support budget (BSB) being presented for the first time in the results-based format. They commended the Fund's efforts and encouraged UNFPA to continue work on improving the format, stressing the need for further harmonization among the United Nations funds and programmes, including with regard to cost classifications. The close link of the BSB to the strategic plan was also recognized and commended. Delegations advised that indicators should be SMART (specific, measurable, achievable, relevant and time-bound). They applauded UNFPA for increasing the amount of resources going to programmes. Delegations expressed strong support for the measures to increase staff security. Some delegations noted that they shared the views and observations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) regarding the BSB. Like the ACABQ, the delegations were concerned about the post reclassifications being proposed. Some delegations asked about travel costs. Emphasizing the need to develop national capacity, one delegation asked about the reason for converting some of the national operations manager posts into international posts.

89. Delegations emphasized the need to scale up the efforts to achieve the Millennium Development Goals. Numerous delegations underscored that achieving gender equality and women's empowerment lay at the heart of the global effort to achieve the Goals. Denmark announced establishing a global 'Goal 3 network' to challenge the international community on gender issues, raise awareness and provide inspiration on how to promote women's economic empowerment; objectives would include obtaining commitments to double development assistance to gender equality and women's empowerment.

90. Japan stated that at the Tokyo International Conference on African Development (TICAD IV) in 2008, it would take up the issue of health in Africa. Furthermore, at the G8 Summit the wider issue of global health would be taken up. Referring to the Fund's reorganization, one delegation stressed the need to take into account the interests of the countries in the region in establishing the regional office for Eastern Europe and Central Asia. Delegations noted that General Assembly resolution 62/208 on the Triennial Comprehensive Policy Review (TCPR), adopted in December 2007, established key new policy orientation that would be very significant in guiding the work of the funds and programmes during the next three years. One delegation requested UNFPA to report on progress in implementing the TCPR at the annual session 2008 of the Executive Board.

91. The Executive Director thanked the delegations for the support expressed for UNFPA and its mission to improve sexual and reproductive health and gender equality. She thanked the delegations that had expressed continued financial support, including donors such as Ireland and Switzerland that had announced increases in their core contributions to UNFPA. She appreciated the generosity, support and guidance of the Netherlands, the Fund's top donor. She also thanked the United Kingdom for the generous contribution to improve reproductive health commodity security. She thanked Denmark for its initiative to mobilize support for Goal 3 and to renew global attention to gender equality and women's empowerment through the global Goal 3 network. She stated that UNFPA looked forward to being



an active partner in those efforts. While underscoring that improved gender equality and women's empowerment were key to development, she emphasized that investments in women's health, including sexual and reproductive health, benefited families, local communities and countries. She concurred that United Nations system-wide coherence in the area of gender was important and pointed out that UNFPA worked closely with its partners to advance gender equality and achieve better results. She stated that she was looking forward to attending the TICAD meeting in Japan and thanked the Government of Japan for its efforts in bringing partners together towards an accelerated and coordinated response to global health challenges both at the TICAD and G8 meetings.

92. The Executive Director emphasized that the TCPR offered better opportunities to mainstream the ICPD Programme of Action. While the reform process was labour intensive, it was worthwhile from a programmatic and substantive point of view. Regarding the Fund's reorganization, the Executive Director stated that UNFPA was moving forward in becoming a more field-focused organization and was strengthening capacity in its country offices and enhancing transparency and accountability. The reorganization presented an opportunity to deliver programmes more effectively, to make internal processes less cumbersome and more efficient and to provide greater flexibility to the country offices. Responding to a query regarding the operations manager posts, she noted that UNFPA was alone among the United Nations funds and programmes in utilizing national staff as operations managers and considerable efforts had been devoted to training those staff in the latest and best practices. Nevertheless, the Fund faced difficulties in recruiting and retaining those staff due to increased competition from other organizations. She clarified that following a review only those operations manager posts were being proposed for conversion to international posts where the most challenges had been experienced.

93. The Executive Director thanked the delegations for the support to their UNFPA BSB, as well as for the support expressed for upgrading security measures for staff in the field. Regarding the results-based format of the budget, she agreed that it was a work in progress. Concerning travel costs, she underscored that UNFPA would be vigilant in keeping costs down to a minimum and utilizing different modes of communication. She cautioned that 2008 would however be a heavy year for travel given that reorganization was moving forward. Regarding the 16 posts of Representatives that should be upgraded and five posts that should be downgraded, she noted that it was in accordance with the ICSC standards and based on an independent and technical review and evaluation. The information had also been provided to the ACABQ in the UNFPA response. She emphasized that to implement high-calibre programmes it was necessary to have high-calibre staff. She added that most of the reclassifications were for national posts.

94. In conclusion, the Executive Director thanked the Executive Board members for their support and guidance and for encouraging her to re-think and find solutions to the challenges confronting the Fund. She congratulated the Partners in Population and Development for broadening the alliance of its members and for focusing on improving reproductive health services and quality commodities. She expressed deep gratitude to the current Secretary-General of the United Nations and to his predecessor for the unwavering support she received from them. She thanked all UNFPA staff for their "passion and compassion" in moving forward the important work of UNFPA in assisting countries in implementing the ICPD Programme of Action and achieving the Millennium Development Goals.

95. The Deputy Executive Director (External relations, United Nations affairs and management) thanked the delegations for their constructive comments and guidance. Concurring that the results-based budgeting format was a work in progress and a learning process for all involved, she emphasized that further refinements would be made utilizing the guidance of the Executive Board and the ACABQ. She stressed that UNFPA was fully committed to working on the format with its partners, including UNDP, the United Nations Children's Fund (UNICEF) and UNIFEM. She assured the Board that UNFPA remained very vigilant and fiscally conservative. She added that UNFPA was conscious of the need to ensure efficiencies, including as regards travel. She noted that the modest increase in travel costs was due to the strengthened audit function that required travel. She stressed that UNFPA was committed to managing travel in a focused way, including using such alternatives as videoconferencing and other options. Regarding the reclassification of posts, she clarified that all reclassifications had been completed and she recalled that since 1995 the volume of UNFPA operations had grown by 80 per cent whereas the staff had increased by only 10 per cent. She emphasized that UNFPA was committed to learning and training and all staff were offered such opportunities. She highlighted that the majority of UNFPA staff, 75 per cent, were national staff. She concluded by noting that UNFPA was committed to implementing all the recommendations of the United Nations Board of Auditors.

96. The Director, Division for Management Services, appreciated the guidance of the ACABQ and the Executive Board that was fully taken into account in preparing the results-based budget. He noted that although small in size, UNFPA had led the model and it had been a rewarding experience to work with its partners, including UNDP, UNICEF, the World Food Programme (WFP) and others. He agreed that going forward it would be important for the organizations to harmonize cost classifications, particularly regarding what would be termed programme costs and programme support costs. He concurred that indicators should be robust and 'SMART'. Regarding benefits from enterprise resource planning (ERP), he noted that while these were difficult to quantify they had been substantial. ERP created a comfort level for managers as well as for auditors. The Fund aimed at having the data on indicators automated. ERP also ensured business continuity and enabled global data to be backed up. He assured the Board that UNFPA would continue to strive for greater efficiencies. Concerning the running costs of the reorganization, he assured that the numbers were the same as had been provided earlier. Regarding travel costs, he confirmed that UNFPA was very vigilant and had taken a decision that all staff would travel on non-refundable tickets bought in advance to achieve cost savings.

97. The Director, Division for Human Resources, elaborated on the various training initiatives undertaken by UNFPA. A major training programme for all UNFPA Representatives had been conducted over the last two years. Similar training had also been provided to the Deputy Representatives and Assistant Representatives. UNFPA had also developed online training courses for its staff, for example, the distance learning course on population, developed in conjunction with the University of Costa Rica, had been taken by the vast majority of UNFPA staff, approximately 700 persons. Also a certification course in finance had been developed with UNDP. Other training programmes were being designed together with other organizations. Additionally, UNFPA had a sabbatical leave programme for staff to undertake a course of study. He underscored that staff training and building staff capacity were very much in line with the Fund's strategic plan and UNFPA was fully committed to them.

## **XV. Country programmes and related matters**

98. In accordance with decision 2006/36, the Executive Board approved the following 14 country programmes on a no-objection basis without presentation or discussion: the Democratic Republic of the Congo, Equatorial Guinea, Lesotho, Liberia, Madagascar, Rwanda and Togo; Somalia; Nepal and the Pacific Island countries; and Colombia, Costa Rica, Mexico, and Nicaragua.

99. Following the country programme approval, the delegations of the Democratic Republic of Congo, Nicaragua and Colombia took the floor to thank the Executive Board for approving their programmes. They appreciated the support provided by UNFPA, and underscored that a consultative process involving Government, UNFPA and other development partners had been followed in developing the country programmes. The delegations emphasized that the country programmes conformed with national priorities and were linked to poverty reduction strategies. They thanked the UNFPA Representatives in their respective countries and the UNFPA regional directors for their collaboration and support.

## **Annex**

### **Joint meeting of the Executive Boards of UNDP/UNFPA, the United Nations Children's Fund and the World Food Programme**

#### **Progress towards achieving the Millennium Development Goals**

100. The President of the UNICEF Executive Board invited the Deputy Executive Director to introduce the background paper and discussion on behalf of UNICEF, UNDP, UNFPA and WFP. The Deputy Executive Director highlighted the uneven picture of progress given by recent data and said that a collective sense of urgency was needed if the Millennium Development Goals were to be met.

101. The Coordinator of the Technical Department of the Poverty Reduction Strategic Plan of the Ministry of Economy, Industry and Trade of the Government of Mali and the United Nations Resident Coordinator in Malawi shared country perspectives on how progress could be further scaled up and accelerated under national leadership.

102. In the discussion that followed, several delegations noted progress made but expressed concern that several countries, particularly in Sub-Saharan Africa, were not on track.

103. Delegations made the following recommendations to accelerate progress: emphasize Government leadership and national ownership as well as increased support from multilateral organizations in scaling up efforts; take more 'bottom-up' approaches so that marginalized groups benefit from scaling-up; ensure the availability of United Nations staff to support country efforts; reach out to the private sector and non-governmental organizations; and encourage South-South cooperation in the sharing and implementation of good practices. More attention should be given to addressing debt relief for poor countries, the fulfilment of aid promises by donor countries, unequal trade relations, gender inequality and the degradation of the environment.

104. A number of delegations recommended a greater focus on least developed countries, especially as demographic changes, economic growth, job creation, security, and a strong international response to conflicts and climate change can impact progress. More than just income factors should be used to classify countries so that efforts can focus on disparity-reduction, especially in middle-income countries. Also recommended was a more comprehensive assessment of progress towards Millennium Development Goal 8, including private funds and new donors.

105. In response, the panellists described country-level efforts to overcome challenges in achieving the Goals, including more comprehensive poverty-reduction programmes, anti-corruption efforts and capacity development. It was suggested that greater attention be paid to the migration of skilled personnel from low-income to industrialized countries; to sustaining gains in food production; and to ensuring quality education. International support needed to be more predictable so that recipient countries could improve their planning. The United Nations should place the Millennium Development Goals at the centre of its work in a coherent way, ensure quality support to countries, and advocate for more resources to be given to Governments that demonstrate commitment to the Goals.

106. The Deputy Executive Director of UNICEF recommended a focus on policy change; on data collection, analysis and dissemination, particularly concerning disparities; and on population groups that are excluded and affected by conflict. Acceleration efforts should focus, even beyond 2015, on challenges associated with sanitation, quality education, and birth registration, among others.

#### **Feedback from the ‘delivering as one’ pilots**

107. The President of the UNDP/UNFPA Executive Board invited the Administrator, UNDP, to open the discussion on the ‘delivering as one’ pilots on behalf of the four organizations. The Administrator spoke of the overarching parameters of flexibility and national ownership, noting that each pilot was tailored to the specific country context following the guidance of the triennial comprehensive policy review. The Administrator highlighted that the pilots were demonstrating how the United Nations system as a whole can be more effectively aligned with national priorities, and that joint programming is an essential component, centred on the United Development Assistance Framework (UNDAF).

108. The following persons then offered their experience with the pilots: the Resident Coordinator in Albania; the Representative of UNICEF in Rwanda; the Deputy Executive Director of WFP and the Assistant Director General of the United Nations Educational, Scientific and Cultural Organization.

109. Representatives of the World Health Organization and the United Nations Environmental Programme recognized the pilots as an important platform for improving coherence and effectiveness, and the nationally owned, demand-driven nature of the pilots. They noted that the new UNDAF guidelines are more inclusive and responsive to ‘delivering as one’, while urging care in combining the meticulously constructed existing agreements into a single plan. They underscored the value of partnerships within the United Nations system, recognizing a need to strengthen the resident coordinator system with the highest quality of leadership and managerial talent and with clearer lines of accountability.

110. Delegations acknowledged the positive experiences of the pilots in creating greater alignment with national priorities and greater coherence within the United Nations system, noting that all United Nations country team members have a part to play in optimizing the resident coordinator system. They emphasized the importance of a flexible, national and context-specific approach in scaling up efforts to achieve the internationally agreed development goals. Delegations also expressed the need to reinvest savings into programmes and to reduce reporting and administrative burdens. Many recognized the stocktaking process as a precursor to a formal evaluation process, while some requested that this be based on criteria established together by all Member States and include issues such as the costs involved in coherence.

111. Many delegations advised against too rapid an adoption of any particular model for ‘delivering as one’, reiterating that coherence was a means to effectiveness rather than an end in itself, and that alternatives were still being assessed in other international forums. They stressed that coherence must be nationally led, and asserted that resources should not be reallocated based on the early experiences of the pilots, but should continue to be distributed based on multilaterally agreed formulas and principles. Some pointed out security and logistical considerations inherent in the ‘one office’ model. Many called on senior management at

headquarters to support the pilots with clear communication; to harmonize business practices; and to facilitate and accelerate decision-making at country level. Several called on donors to provide adequate, predictable and timely funding.

112. The Executive Director, UNFPA, underscored that the session was focused on hearing from the Member States, including those participating in the pilots. Highlighting key points from the stocktaking exercise, she noted that the feedback from the pilots showed that the UNDAF formed the foundation of the 'one United Nations' programme and derived from national development priorities. Joint programming and programmes had received positive reviews. She added that the strategic alignment of United Nations support to national development would reduce duplication and transaction costs, and the overall direction of the initiative was positive.

113. The Minister of Integration of Albania noted that the ability to align the work of the United Nations family in Albania to the unique national priority of accession to the European Union had been one of the key achievements to date. She emphasized the importance of government leadership in selecting which organizations, given their comparative advantages, had a key role to play in supporting national goals. She underscored that the overall impression of her Government was very positive concerning 'delivering as one'.

114. The Secretary-General, Ministry of Finance and Economic Planning of Rwanda, highlighted the positive experience of his Government with the pilot. He stressed the importance of a close linkage between national planning instruments and the UNDAF to ensure a strong United Nations programme in the country, and noted that the pilot initiative was directly related to the commitments in the Paris Declaration.

115. Delegations from the United Republic of Tanzania, Mozambique, Uruguay, and Viet Nam (countries participating in the pilots) underscored that national ownership and leadership were essential for the initiative to work. They emphasized that each country was unique and there was no "one size fits all" approach. They expressed cautious optimism about improved United Nations coherence and increased linkages between national priorities and United Nations programmes. They noted that the 'delivering as one' process was labour intensive and that it was too early to assess development impact.

116. Key issues raised during the subsequent discussion included the need for: patience, as it was too early for an impact evaluation; donors to provide predictable aid; capacity-building of partners to remain a key focus area for the United Nations; and an increased leadership role of the resident coordinators while maintaining neutrality and an inclusive, system-wide focus.

117. Some delegations enquired about the 'one fund' and expressed concern that core funds might be co-mingled. Panellists clarified that the 'coherence funds' in the pilots did not contain core funds, only co-financing resources. It was noted that Governments retained the ability to fund organization-specific activities. Nevertheless, such activities should fall under the joint planning of the full United Nations country team. The importance of focusing on substance and results, rather than merely process, was emphasized.

### **Disaster risk reduction strategies**

118. The President of the Executive Board of WFP introduced the item, providing the audience with the main themes of the session. Disaster risk reduction was an ideal topic for the joint Board because it extended across development and emergencies. The joint Board provided an opportunity to become familiarized with the concept and vocabulary of disaster risk reduction and why it should be integrated into the Funds and Programmes' policies and programmes.

119. The Deputy Executive Director of WFP spoke on behalf of the four organizations. In her remarks, she emphasized adaptation and the need to mitigate the risks of natural disasters and build resilience among those likely to be the hardest hit. Thus, the need to engage in disaster risk reduction was urgent. United Nations organizations could do more to mitigate risks and build resilience by working together under the Hyogo Framework for Action. A stronger link between humanitarian and development efforts was needed to reduce the impact of disasters on vulnerable communities.

120. The Director of Civil Protection of the Government of Haiti presented a country-level perspective on disaster risk reduction strategies. She described the vulnerability of Haiti to natural hazards and the social and economic situation of the country; she then presented the national disaster risk reduction strategy and the framework of collaboration with donors and the United Nations system for implementing the strategy.

121. The Deputy Director of ISDR described its coordination mechanism to support the Hyogo Framework for Action. She recommended building on existing structures, such as the Hyogo Framework and ISDR, to address disaster risk reduction, and making links with development and climate change. She presented the joint work programme with United Nations organizations and the existing funding mechanisms.

122. The delegations expressed their appreciation of the background paper and renewed their support to the four organizations for mainstreaming disaster risk reduction into their policies and programmes. The delegations insisted on the need to link disaster risk reduction with adaptation to climate change; some emphasized that disaster risk reduction could reduce the cost of recovery efforts.

123. The delegations commended the four organizations for their contributions to a more coherent United Nations at the country level, noting that development and emergency response could not be seen as separate issues and stressing that ISDR was the main mechanism for implementing the Hyogo Framework for Action. They mentioned the need for the United Nations Development Group to systematically increase its support to Member States for disaster risk reduction.

124. The delegations urged the four organizations to focus on their mandates and work together with the Office for the Coordination of Humanitarian Affairs and ISDR to determine individual roles. Coherent, linked action was needed, in accordance with individual institutional mandates. The question was raised how to better link emergency and development activities, given the leading role of UNDP in early recovery. The importance of sharing information was stressed. One Member State asked about funding mechanisms for adaptation to climate change.

125. In its response to questions and comments from Member States, the panel noted that the background paper was a general document intended to help the four

organizations commence joint work on disaster risk reduction and was not meant to imply that any of them should go beyond their individual mandates. The panel members acknowledged the threefold challenge of making a connection between relief and development; working in partnership; and being guided by country strategies that prioritized disaster risk reduction.



**Part two**  
**Annual session 2008**

**Held in Geneva from 16 to 27 June 2008**

## I. Organizational matters

1. The annual session 2008 of the Executive Board of UNDP and UNFPA was held at the Palais des Nations, Geneva, from 16 to 27 June 2008.

2. The Executive Board approved the agenda and work plan for its annual session 2008 (DP/2008/L.2), and approved the report of the first regular session 2008 (DP/2008/18).

3. The Executive Board agreed to the following schedule of future sessions of the Executive Board in 2008 and 2009:

Second regular session 2008:	8 to 12 September 2008
First regular session 2009:	19 to 22 January 2009
Annual session 2009:	26 May to 5 June 2009 (New York)
Second regular session 2009:	8 to 11 September 2009

4. Decisions adopted by the Executive Board at the annual session 2008 were included in document DP/2008/38, accessible at [www.undp.org/execbrd](http://www.undp.org/execbrd).

### *Administrator's statement*

5. The Administrator described the challenges faced by the global economy and a broad range of UNDP efforts to strengthen its effectiveness in responding to them. He asserted that, contrary to recent speculation, the steep increase in food prices was more attributable to the rising price of fuel, abetted by the unintended adverse consequences of bio fuel subsidies, than to rising demand in fast-developing large countries. He pointed to the slowdown in the financial sector as evidence of the need for better policy analysis and stronger international coordination in fighting poverty.

6. Delegations acknowledged the severe challenges undermining progress toward the Millennium Development Goals: rising energy and food prices, climate change, and natural disasters. Many expressed concern that hard-won achievements in their countries could be set back if the global community failed to take urgent action. Many called for the United Nations development system as a whole to reprioritize agriculture as a driver of development and recognized UNDP as a valuable partner. One delegation, in particular, commended increased core resource allocation to African countries and expressed expectations that UNDP would continue to increase its efforts to assist African countries. Delegations also recognized the continuing efforts of UNDP to improve management efficiency, accountability and responsiveness to national development priorities in accordance with its core mandate. Several underscored the importance of managing for development results.

7. Some delegations called on UNDP to marshal additional resources in response to the heightened challenges represented by the global fuel and food crises, asserting that the current climate represented an opportunity to galvanize efforts to achieve the Millennium Development Goals. They pledged to continue to provide strong support in that regard, with several delegations announcing increases in their core contributions to UNDP and other United Nations organizations in an effort to improve development effectiveness and support achievement of the Millennium Development Goals.

## UNFPA segment

### II. Statement of the Executive Director and annual report of the Executive Director for 2007

8. The UNFPA segment began with the opening statement of the Executive Director (see [http://www.unfpa.org/exbrd/2008/2008\\_annual.htm](http://www.unfpa.org/exbrd/2008/2008_annual.htm)). A short video was shown on UNFPA accomplishments in 2007. The Executive Director expressed condolences to the people of China, Myanmar and the United States of America who had suffered from recent natural disasters. She noted that as part of the United Nations system, UNFPA was engaged in disaster mitigation and emergency preparedness efforts. She introduced the new UNFPA senior staff. She underscored that the agenda of the International Conference on Population and Development (ICPD) remained highly relevant and visionary. She thanked the Government of Japan and especially the Prime Minister for ensuring that health in general and reproductive health, with maternal health in particular was highlighted in the Fourth Tokyo International Conference on African Development (TICAD IV) Action Plan and would feature prominently in the G8 Summit.

9. The Executive Director outlined the Fund's four priority areas for 2008. She introduced the Report of the Executive Director for 2007: Accelerating progress and national ownership of the ICPD Programme of Action (DP/FPA/2008/5, Part I); Statistical and financial review 2007 (DP/FPA/2008/5, Part I, Add.1); Joint report of UNDP and UNFPA on the recommendations of the Joint Inspection Unit in 2007 (DP/2008/23/Add.1-DP/FPA/2008/5, Part II) and highlighted the Fund's key achievements in 2007. She drew attention to the Fund's culturally sensitive approaches to programming and the wide network of partnerships, including with faith-based organizations. She updated the Executive Board on the Fund's reorganization process underscoring the transparency of the process, as well as the particular attention being given to the human dimension. She thanked all the donors who contributed to UNFPA, including the Fund's top ten donors.

10. The Executive Director was appreciative of the Secretary-General's decision to make global health one of his three development agendas, along with climate change and food security. She underscored that to improve maternal health an estimated \$6 billion was needed annually plus an additional \$1 billion for family planning. She stressed the need for stronger advocacy for reproductive health and rights and drew attention to the unsteady progress in the area of family planning, noting that one major obstacle was the lack of affordable reproductive health commodities. She emphasized the need to scale up interventions for HIV prevention, especially for women and youth. She noted the Fund's comparative advantage in advancing gender equality. Referring to the Danish campaign for gender equality, she announced that she was a proud champion torch bearer for MDG 3 to advance women's empowerment and gender equality.

11. Delegations commended the "first-rate, strong and passionate" leadership and stewardship of the Executive Director. They paid tribute to all UNFPA staff for their dedication and hard work and recognized that frequently country-level staff worked in challenging situations. Delegations welcomed the Executive Director's thoughtful and inspiring statement and the informative annual report. They congratulated UNFPA on the progress and achievements in 2007 in the Fund's focus areas of population and development; reproductive health and rights; and gender equality.

They also congratulated UNFPA for its role in securing the target on universal health by 2015.

12. Delegations stated that UNFPA was a valued and trusted partner. They were pleased to note the Fund's highest-ever total resources income and commended UNFPA for its resource mobilization efforts, including expanding its donor base to 182 countries. Some delegations urged others to increase their contributions and encouraged multi-year pledges. Australia announced an increase in its 2009 core contribution. Denmark announced an increase in its 2008 contribution. The Netherlands announced that in addition to its regular contribution it would make extra contributions for the maternal health thematic fund and for reproductive health commodity security.

13. Delegations commended UNFPA commitment to implement General Assembly resolution 62/208 on the triennial comprehensive policy review of operational activities for development of the United Nations system (TCPR) and the Paris Declaration on Aid Effectiveness, as well as the Fund's involvement in United Nations reform, including in the eight "Deliver as One" pilot countries. Noting the progress in the pilot countries, some delegations called on United Nations entities to ensure that savings were transferred to programme activities in the concerned country; lessons learned were utilized; the Resident Coordinator was strengthened and the "firewall" issue resolved; and national execution was used to the maximum extent possible. They added that there should be unconditional and predictable funding from donors.

14. Delegations congratulated the Executive Director on her leadership as Chair of the High-Level Committee on Management (HLCM) and for taking forward the initiative on harmonizing business practices. Delegations welcomed the establishment of a solid results-based management base in UNFPA. They appreciated the update on the Fund's reorganization and requested regular updates. They welcomed the new members of the UNFPA senior management team. They commended the work of UNFPA country offices in delivering technical and programmatic assistance to recipient countries and expressed support for the regionalization process. One delegation asked about the carryover of resources from 2007 to 2008. Another delegation inquired if there had been a decrease in funding for Africa.

15. Delegations appreciated the Fund's targeted response to the needs of recipient countries and the expanding partnerships. Several noted that UNFPA had made significant contributions to support national partners. The importance of programme implementation guided by culturally sensitive approaches was underscored. While some delegations urged greater focus on upstream policy dialogue others encouraged greater involvement in downstream capacity-building projects. Some delegations urged an increased focus on least developed countries. Some delegations drew linkages between maternal and reproductive health and the food crisis. They underscored the role of men and boys in promoting reproductive health and rights including prevention of gender-based violence. They noted that more needed to be done to address the needs of young people and adolescents. They urged continued efforts to increase access to reproductive health commodities.

16. The delegation of Slovakia stated that following consultations with Member States of the region its Government had submitted a formal proposal to UNFPA to co-locate the regional office for Eastern Europe and Central Asia in Slovakia. The delegation of the Russian Federation stated that it supported the UNFPA regionalization and following constructive consultations within the regional group

consensus had been achieved regarding the UNFPA regional office in Bratislava, Slovakia, and the subregional office in Almaty, Kazakhstan.

17. The delegation of China thanked UNFPA and other agencies for the assistance provided in the aftermath of the devastating earthquake. The delegation of the United States of America expressed appreciation for the sympathy conveyed to those affected by recent natural disasters in its country. The Vice-Chairman of the Joint Inspection Unit (JIU) elaborated on the work of the JIU.

18. The Executive Director thanked delegations for their strong support and contributions, as well as for recognizing the work and commitment of UNFPA staff. She appreciated the comments regarding her leadership role in the HLCM. She underscored that supporting national ownership and leadership was the foundation of the Fund's work and UNFPA was guided by the TCPR which emphasized national ownership. She stressed that UNFPA did not impose any conditionalities nor did it have tied assistance. She underscored UNFPA commitment to United Nations reform and the labour-intensive work undertaken in the Delivering as One pilot countries. While the work was very demanding for a small-sized organization like UNFPA, the value added came through higher visibility for the ICPD Programme of Action.

19. She noted that maternal health and maternal mortality were key issues and it was important to take a life-cycle approach to sexual and reproductive health. She stated that three key elements for reducing maternal mortality were: family planning; skilled birth attendance; and emergency obstetric care. She elaborated on the Fund's work on preventing gender-based violence, including in partnership with UNIFEM and other actors. She concurred that the male involvement was essential for achieving gender equity and women's empowerment. Regarding humanitarian work, she observed that UNFPA continued to build its capacity at regional and country levels. Noting that census was a new area of emphasis, she hoped that the 2010 round of censuses would yield valuable data for development planning and programming. The Executive Director clarified that resources for Africa had increased not decreased. Regarding the carryover of resources from 2007 to 2008, she noted that \$15 million had been received during the last quarter of 2007.

20. She thanked the delegation of Slovakia for the offer to host the UNFPA regional office in Bratislava and also thanked the delegation of the Russian Federation for the consensus regarding the regional office in Bratislava and the subregional office in Almaty.

21. The Deputy Executive Director (External Relations, United Nations Affairs and Management) elaborated on the reorganization process and the strong focus on the human dimension, as well as on ensuring business continuity. She noted that UNFPA would keep the Executive Board and development partners updated on progress. The Deputy Executive Director (Programme) stated that business continuity was a key part of the master plan for reorganization and UNFPA was committed to providing technical assistance to countries during the transition. The Chief, Strategic Planning Office, noted that as requested by the Board the targets and baselines pertaining to the strategic plan had been posted on the website and analytical work in this area was continuing.

### **III. Funding commitments to UNFPA**

22. The Chief, Resource Mobilization Branch, UNFPA, introduced the Report on funding commitments to UNFPA (DP/FPA/2008/9). She also provided an update on funding

commitments to reflect the most recent data, as of 1 June 2008, and took note of the pledging currency of Australia, namely, Australian dollars.

23. Delegations congratulated UNFPA on attaining its highest-ever income of total resources and on expanding its donor base to 182 donors. They underscored that this attested to the confidence countries had in UNFPA. They noted with satisfaction the healthy balance between core and non-core resources and emphasized that core resources were the foundation and bedrock of UNFPA operations. They stressed that thematic funds should not be considered an alternative to core resources but to non-core resources. Delegations recognized that thematic funds and other innovative funding mechanisms had a useful impact as an addition to core resources, including through attracting private funding. One delegation asked if additional thematic funds were being considered for other areas in population and development, and gender equality. Noting that the quality and quantity of staff should keep up with the increase in resources, one delegation noted that UNFPA staff, ranging from senior to junior levels, was talented.

24. The Executive Director thanked the delegations for their comments and expressed appreciation for the contributions to UNFPA. She also thanked the delegation that had commended UNFPA staff and noted that the Fund continued to emphasize staff training and career development. She assured the Executive Board members that thematic funds were not an alternative to core resources and core resources remained the bedrock of UNFPA operations. She noted that UNFPA was considering a thematic fund for census (given the importance of the upcoming round of 2010 censuses). However, UNFPA did not plan to embark on a proliferation of thematic funds.

25. The Executive Board adopted decision 2008/10: Funding commitments to UNFPA.

#### **IV. UNFPA country programmes and related matters**

26. The Deputy Executive Director (Programme) introduced the five new draft country programme documents and five programme extensions and noted that their design and content was driven by country needs and priorities as identified by the respective national development plans. The Director, Africa Division, and the Officer-in-Charge, Division for Arab States, Europe and Central Asia (DASECA), introduced the draft country programmes from their respective regions.

27. Delegations commended the close collaboration between national authorities and UNFPA and the open and transparent process in preparing the draft country programme documents. They appreciated the support provided by UNFPA and commended the Fund for the emphasis placed on national ownership and leadership. Delegations also appreciated UNFPA collaboration with other donors. Noting the high rates of maternal mortality in many of the countries, delegations stated that it would not be possible to achieve the Millennium Development Goals (MDGs) without reducing maternal mortality. Delegations urged giving high priority to reducing maternal mortality, including through increased access to reproductive health services – emergency obstetric care, skilled birth attendance, and family planning, including access to reproductive health commodities. Delegations were pleased to note that the country programmes addressed issues of gender inequality and gender-based violence, as well as the needs of young people. Delegations stressed the need to expand partnerships with development partners including civil society and religious/traditional and community leaders. One delegation urged closer collaboration with its own embassies and non-governmental organizations.

28. The Chief, Africa Division, and the Officer-in-Charge, DASECA, thanked delegations for their comments and support. They assured the Executive Board that UNFPA emphasized

partnerships with civil society and other development partners. They underscored that partnerships were also essential for strengthening national systems and community response. They stated that UNFPA would convey the specific comments made on the draft programmes to the concerned countries.

29. The Executive Board took note of the draft country programme documents for Benin, Republic of the Congo, Niger, Nigeria and the Sudan and the comments thereon, which would be conveyed to the concerned countries to take into account in finalizing the programmes. The Board approved the second one-year extension of the Burundi country programme and the two-year extension of the Pakistan country programme and took note of the one-year extensions of the Afghanistan, Ecuador and Guatemala country programmes. The Executive Board adopted decision 2008/11: UNFPA and UNDP draft country programme documents.

## V. Evaluation in UNFPA

30. The Deputy Executive Director (Programme) introduced the Periodic report on evaluation (DP/FPA/2008/10) and highlighted its key elements.

31. Delegations welcomed the useful and informative report and the measures undertaken by UNFPA to enhance evaluation quality and commended the Fund's use of evaluation results to inform management decisions. They appreciated that a certain number of evaluations were jointly conducted with other United Nations organizations and bilateral and national partners. They noted that 50 per cent of the evaluations were conducted with national evaluators. They encouraged the inclusion of information about the role of UNFPA partners in evaluations. One delegation asked about the basis for external and internal evaluations. Delegations shared the UNFPA concern that approximately two thirds of the evaluations did not meet the minimum United Nations Evaluation Group (UNEG) standards. They considered the lack of baseline data to be a constraint and were concerned that the implementation rate of country programme evaluation recommendations remained low. Delegations encouraged increased evaluations at country level and a greater focus on development outcomes. They emphasized the need to gather baseline data at the start of new country programmes. They noted that future reports should contain more information about UNFPA programmatic efforts to follow-up on evaluation recommendations. They encouraged UNFPA to use its strategic plan to structure future periodic reports on evaluation and requested that future reports include specific and analytical information on progress and difficulties in the evaluation function.

32. Delegations urged strengthening the capacities of staff and counterparts, both governmental and non-governmental, as well as strengthening of national monitoring and evaluation systems. They were pleased to learn about the creation of five posts for regional evaluation and monitoring advisers who would support the strengthening of the evaluation capacity at country level. One delegation asked if the posts had been included in the budget. One delegation noted that the new aid modalities encouraged by the Paris Declaration on Aid Effectiveness had some limitations and expressed concern regarding the UNEG task force on evaluation guidance for human rights and gender equality, noting that the guidance should not be in conflict with the decisions of Governments. Several delegations commended UNFPA participation in UNEG and the Fund's contribution to strengthening the evaluation capacity of the United Nation system. Delegations welcomed the UNFPA initiative to formulate an evaluation policy and looked forward to further consultations on it. They noted that the policy should establish the criteria for commissioning independent evaluations. They encouraged harmonization, to the extent possible, with the policies of other funds and programmes, including UNDP.

33. The Deputy Executive Director (Programme) thanked the delegations for appreciating the challenges UNFPA faced in the area of evaluation and for their encouragement. She underscored that UNFPA recognized the need to improve the reliability and quality of its evaluation work and was committed to making improvements. She noted that there would be increased information sharing among staff regarding the international standards set by UNEG, as well as additional staff training coupled with strengthening the evaluation capacity of national partners. She emphasized that UNFPA was also focusing on building baseline data and was committed to increasing evaluation coverage and measuring development outcomes. She observed that the forthcoming evaluation policy would, inter alia, indicate how evaluation recommendations would be followed up and taken into account in developing new country programmes.

34. The Director, DOS, explained that in 2005 there had been a peak in the number of country evaluations as in a number of countries the United Nations country teams had endeavoured to align with national processes for new country programmes. He clarified that external evaluations were undertaken when the Fund did not have the requisite expertise internally. Regarding the five new adviser posts, he stated that they were part of the Fund's restructuring and were reflected in the budget. Noting that the forthcoming evaluation policy was a management tool, he observed that it should be shared with the Executive Board not for approval but to obtain the Board's advice and guidance.

35. The Executive Board adopted decision 2008/12: Evaluation in UNFPA.

## **Joint UNDP/UNFPA segment**

### **VI. Internal audit and oversight**

36. The Director of the Office of Audit and Investigation introduced the annual report of the Audit Advisory Committee, and the Director, Bureau of Management, presented the UNDP management response. Many delegations expressed support for management actions addressing key and recurring audit issues and continued support of nationally executed projects and capacity-building.

37. Delegations raised questions about the 13 per cent of audit reports rated 'unsatisfactory', the effectiveness of audits, the follow-up of nationally executed audits, and the frequency of headquarters and long-outstanding audit recommendations. Some expressed interest in better understanding the nature of the relationship of the Audit Advisory Committee to the Executive Board. They called for UNDP, UNFPA and the United Nations Office for Project Services (UNOPS) to take deliberate steps to harmonize their accountability frameworks and oversight policies, to be discussed at the second regular session 2008. In addition to detailed responses by all three organizations, the UNDP Chair of the Committee responded to specific questions raised by delegations.

38. The Head of Audit, Internal Audit Office, UNOPS, introduced the report on UNOPS internal audit and oversight activities in 2007. The Deputy Executive Director, UNOPS, presented the management response.

39. Delegations welcomed the establishment of the Internal Audit Office in UNOPS and the smooth transition from UNDP during 2007, thanking UNDP for its support to UNOPS since the establishment of UNOPS in 1995 and commending UNOPS on its efforts to maintain the integrity of the United Nations 'single audit' principle in implementing its work plan for 2007. One delegation questioned the capacity of the



newly established Internal Audit Office and its potential impact on audit coverage; it was noted that the Office was now fully staffed with five professionals.

40. Other delegations questioned the number of qualified opinions issued during the year, and asked what parameters were used to determine the risk rating for specific office locations used for audit planning. The Deputy Executive Director highlighted the development of a draft accountability framework for UNOPS. Delegations proposed that a thorough review of the draft framework, and the Executive Board decision, be postponed until the second regular session 2008 of the Executive Board.

41. The Director, Division for Oversight Services, UNFPA, introduced the report on UNFPA internal audit and oversight activities in 2007 (DP/FPA/2008/11). The Deputy Executive Director (External Relations, United Nations Affairs and Management) presented the management response.

42. Delegations welcomed UNFPA efforts made throughout 2007 to improve accountability and oversight and commended UNFPA management for their commitment to achieve results in these areas. They were encouraged by and asked to be kept apprised of the Fund's development of the enterprise risk management approach. They encouraged implementation of the risk model on a broader basis. They welcomed the harmonization and standardization of audit ratings among the funds and programmes. They inquired about the recent decrease in the number of audits. They expressed concern regarding business processes and national execution (NEX). They welcomed the fact that improving the quality of NEX audits was a top priority for UNFPA. They hoped UNFPA would address the lack of compliance of country offices in reporting and adopting audit recommendations. One delegation asked if low-risk offices were also subject to audits. Some delegations provided examples of successful experiences with NEX. They emphasized the need for training and for harmonizing and simplifying processes. Some delegations welcomed the availability of the report of the Audit Advisory Committee (AAC) and noted that interaction between the Executive Board and the AAC would enhance transparency.

43. The Deputy Executive Director, in thanking delegations for their constructive comments, noted that the guidance of the Executive Board was very important for management and staff. She concurred that trust was the basis of the work with one another. She underscored that UNFPA was fully committed to continuing utilization of the NEX modality and was always guided by the General Assembly, including the resolution on the triennial comprehensive policy review of operational activities for development of the United Nations system. She elaborated on UNFPA approaches to capacity development, including through South-South cooperation. She agreed with the need to constantly simplify and harmonize procedures. She assured the Board that UNFPA was addressing the issues raised in the audit findings and was consistently monitoring implementation of audit recommendations. She underscored that UNFPA management valued the technical advice provided by the AAC.

44. The Director, DOS, appreciated the encouraging comments by delegations and concurred regarding the independence of oversight activities. He elaborated on the dimensions of transparency and independence, underscoring that the purpose of internal audit was to add value to the organization. Regarding the decrease in the number of audits, he noted that some missions had been cancelled due to security issues or shortage of staff. He clarified that there was a bias in the selection of entities for audit since the selection was made from the most-at-risk entities. He added that the scale of risk and the time elapsed

since the last audit were criteria used in selecting entities for audit. He emphasized that UNFPA remained committed to the NEX modality, which it had utilized for decades.

45. The Executive Board took note of the reports and management responses, and adopted decision 2008/13 on internal audit and oversight in UNDP, UNFPA and UNOPS.

## VII. Field visits

### *Haiti*

46. The Permanent Representative of Slovakia, team leader of the joint field visit to Haiti of the Executive Boards of UNDP/UNFPA, UNICEF and WFP, from 1 to 9 March 2008, introduced the report of the joint field visit. The chief rapporteur (Russian Federation) provided further details. Both thanked the United Nations country team and the United Nations Stabilization Mission in Haiti for organizing an excellent programme for the joint field visit. They conveyed appreciation to the Government and people of Haiti for their hospitality and the fruitful discussions. The team leader underscored the importance of field visits for Executive Board members. The chief rapporteur highlighted the key findings of the mission and noted that a new approach had been used in preparing the report by closely following the guidance in General Assembly resolution 62/208 on the triennial comprehensive policy review of the operational activities for development of the United Nations system.

47. Several delegates who had participated in field visit took the floor. They noted that institutional capacity in Haiti should be strengthened, and advocated stronger South-South and triangular cooperation. They asserted that the programme approach should be emphasized and linked to the humanitarian situation in the country, and recognized the role of the resident coordinator in ensuring coordination.

48. A representative of the delegation of Haiti, in conveying the appreciation of his Government, commended the work of the United Nations in Haiti and observed that international assistance to the country should be managed in a more coordinated manner.

49. The Executive Board took note of the report of the joint field visit to Haiti (DP/FPA/2008/CRP.1).

### *Kazakhstan*

50. The co-team leader of the UNDP/UNFPA Executive Board field visit to Kazakhstan introduced the report (DP/2008/CRP.3-DP/FPA/2008/CRP.2) and noted that the field visit had given delegations a more lucid view of the operational activities of UNDP and UNFPA. She thanked the Government and people of Kazakhstan, as well as the country team, for the excellent programme and fruitful discussions. There were no comments or queries on the report of the field visit to Kazakhstan. The Executive Board took note of the report (DP/2008/CRP.3-DP/FPA/2008/CRP.2).

## UNDP segment

### VIII. Annual report of the Administrator

51. The Administrator reaffirmed the centrality of the Millennium Development Goals to programming. In that regard, he noted the progress of the Secretary-General's 'MDG Africa Steering Group' and the case studies under way in 10 African countries to develop plans for the practical application of scaled-up development assistance.

52. With programme work oriented to strengthening national capacities, he noted that capacity development remained the overarching contribution of the organization and pointed to synergies among various focus areas and cross-cutting themes that provided a more coordinated response to national development priorities. He underscored the importance of South-South cooperation, gender equality and women's empowerment to all UNDP work. He provided details of the UNDP role in strengthening coherence in the United Nations development system.

53. He drew attention to efforts to strengthen security risk management, improve accountability, transparency and oversight, and provide greater security for staff serving around the world.

54. Delegations expressed appreciation for the final report delivered with respect to the 2004-2007 multi-year funding framework. Many praised the emphasis on capacity-building and increased partnership with governments and other stakeholders. Several took special note of the strengthening of the gender dimension within the focus area of capacity development and recovery, while others acknowledged the role of the 'MDG Carbon Facility' in expanding the Clean Development Mechanism.

55. Delegations noted measures taken by UNDP to strengthen its leadership role in enhancing United Nations system-wide coherence. Some encouraged UNDP to further develop its recruitment, training and evaluation of resident coordinators to maximize effectiveness at the country level, while containing coordination costs. Some welcomed the increased use of country directors around the world, though one delegation cautioned against the possible administrative burden this might represent for host governments. Delegations encouraged UNDP to continue to work in concert with other United Nations organizations in leveraging their comparative strengths at the country level, and to harmonize operations and policies. In that regard, they took note of the feedback from the eight 'delivering as one' pilots presented at the first regular session 2008. Several delegations recommended that UNDP implement on a wider scale the best practices developed during the pilot process, while others urged prudence in expanding the initiative, pointing out that significant challenges remained to be addressed.

56. Delegations expressed divergent opinions on the prioritization of resource allocations. Some felt that the larger share of resources allocated to public administration reform, anti-corruption initiatives and parliamentary and electoral support appropriately reflected the needs of programme countries over the past year. Others urged UNDP to make poverty reduction its top priority, particularly in the light of the global food and energy crisis and its disproportionate impact on the poorest countries. Still others called for greater emphasis on environmental programmes and stronger UNDP leadership in addressing the risks and challenges of

climate change. Many delegations called for a sharper focus on addressing the needs of Africa, some detailing the achievements of their partnerships with UNDP in that regard. Some asserted that in allocating resources, programme activities should be prioritized over reporting, monitoring and evaluation exercises. Delegations called on donors to increase the predictability of funding.

57. Delegations voiced concern about the 1:4 ratio of 'regular' to 'other' resources, asserting that, while an overall increase in regular resources signalled the growing confidence of development partners in UNDP, the resource scales should be rebalanced to favour regular resources. Many urged UNDP to find ways to reduce support expenditures and channel the savings toward programme activities. Several delegations announced increases in regular funding support to UNDP. Some reminded UNDP to carefully review and evaluate any new aid modalities.

58. Many delegations acknowledged the progress achieved in improving transparency and accountability, notably in the areas of ethics and of monitoring and reporting programme results using new tools such as the results matrix appended to the UNDP strategic plan, 2008-2011. Some expressed concern at the percentage of targets reported as 'unmet' or 'partially achieved', and requested additional information.

59. The Executive Board adopted decision 2008/14, taking note of the multi-year funding framework report on UNDP performance and results for 2007 (DP/2008/23 and DP/2008/23/Corr.1), and the statistical annex (DP2008/23/Add.2).

## **IX. UNDP strategic plan, 2008-2011**

60. The Administrator, UNDP, presented the revised strategic plan, 2008-2011, which he characterized as the product of an open intergovernmental dialogue and a reflection of the many comments received during the extensive consultation process. In particular, he noted that the document had been aligned with the outcome and language of the triennial comprehensive policy review adopted in December 2007. He pointed out that principles of national ownership and leadership had been further emphasized throughout the plan, and the development and institutional results frameworks strengthened in response to feedback from Member States.

61. Delegations responded favourably to the proposed revisions to the UNDP strategic plan, 2008-2011. They acknowledged the value of the lengthy consultative process, some stressing that the strategic plan should remain a 'living document'. Delegations underscored the importance of maintaining a culture of responsiveness to the interests of programme countries and the need for flexibility at country level. They noted significant improvement in the strategic plan, and called on UNDP to move forward in its implementation.

62. Delegations emphasized that UNDP should take a human development-based approach to programming in line with the national development priorities of programme countries. Some pointed out that UNDP, as a United Nations organization, has a continuing obligation to uphold respect for the human rights and fundamental freedoms enshrined in the United Nations Charter. Delegations urged UNDP to remain focused on its core development mandate, while steering clear of political conditionality in supporting capacity-building and capacity development efforts, as programme countries pursue the Millennium Development Goals. They

stressed national ownership and leadership as central pillars of development effectiveness, as reaffirmed by the 2007 triennial comprehensive policy review, and encouraged UNDP to operationalize the principle of national ownership in implementing its strategic plan.

63. One delegation recommended that the addendum to the strategic plan entitled 'UNDP strategic vision on assistance to crisis-affected countries' (DP/2007/20/Rev.1) should be more explicit in delineating the role of UNDP in early recovery.

64. The Executive Board, in adopting decision 2008/15, took note of the revisions to the UNDP strategic plan, 2008-2011, contained in document DP/2007/43/Rev.1 and its annexes.

## **X. Funding commitments to UNDP**

65. The Assistant Administrator and Director, Partnerships Bureau, UNDP, presented the status of regular funding commitments to UNDP. He reported that contributions to regular resources had reached close to \$1.12 billion in 2007, in nominal terms, and exceeded the final and overall target set by the multi-year funding framework, 2004-2007; and that total contributions to UNDP and its associated funds and programmes had reached almost \$5.2 billion in 2007, with other income reaching nearly \$4 billion. Earmarked contributions to UNDP from bilateral donor governments, he noted, had increased from \$1 billion in 2006 to \$1.1 billion in 2007, while local resources, channelled through UNDP by programme country governments and other local partners in support of their own national development, decreased from almost \$1.4 billion in 2006 to just below \$1.3 billion in 2007. He asserted that the ratio of regular to other resources, which remained at about 1:4, was harming the ability of UNDP to fulfil its mandate in a predictable and effective manner.

66. Delegations took the floor to reaffirm their commitment to UNDP, some expressing their intention to increase funding support.

67. The Executive Board took note of the report on the status of regular funding commitments to UNDP and its associated funds and programmes for 2008 and onward (DP/2008/16).

## **XI. Evaluation in UNDP**

68. The Director, Evaluation Office, UNDP, presented the evaluation of the role of UNDP in the net contributor countries of the Arab region: Bahrain, Kuwait, Libya, Saudi Arabia, and the United Arab Emirates. She stated that the evaluation found that, while UNDP was valued for its impartiality and transparency, there was limited knowledge of its core competencies or its role as coordinator for the United Nations operational system, and demand for UNDP services in the countries reviewed at times exceeded the UNDP mandate. She noted a strong desire for UNDP to enhance its role in promoting human development and enhancing local capacity through stronger partnerships with civil society and the private sector. Among the recommendations of the evaluation, she highlighted the need for UNDP to more fully actualize its mandate in service of national priorities, to strengthen local and country office capacity, to improve mutual accountability in programme implementation, and

to coordinate the United Nations system more effectively in the countries of the region.

69. The Assistant Administrator and Director, Regional Bureau for Arab States, UNDP, provided the management response. She welcomed the findings of the evaluation, noting several efforts already under way to apply its recommendations.

70. The Minister of State for Foreign Affairs, Kingdom of Bahrain expressed his appreciation for the continued support of UNDP to the development of his country. He called for a stronger UNDP presence in net contributor countries to provide policy advice on governance and human development.

71. Delegations acknowledged the value of UNDP interventions in net contributor countries and noted the findings of the evaluation. One delegation urged UNDP to take into account the experiences of net contributor countries in other regions when formulating policies relevant to that country classification.

72. The Director presented the annual report on evaluation for 2007. After reviewing the status of implementation of the evaluation policy, she presented findings on the coverage, compliance and quality of evaluation, and on collaboration with the United Nations and other partners. She noted that the evaluation found that UNDP needed to leverage its core strengths and comparative advantages in supporting countries to achieve their development goals. She also drew attention to the finding that inadequate regular resources had constrained UNDP in pursuing core activities, with resource mobilization efforts at times competing with the strategic focus of the organization. She proposed a phased expansion of assessments of development results and country-level evaluations over the period of the strategic plan, 2008-2011.

73. The Associate Administrator, UNDP, provided the management response, in which he described measures being undertaken by management to strengthen the culture of monitoring and evaluation throughout the organization.

74. Delegations acknowledged UNDP efforts to strengthen evaluation capacity through increased resources and staff at all levels, as well as attention to gender and geographic balance in the composition of evaluation teams. They encouraged UNDP to explore the possibility of pooling the evaluation capacities of the associated funds and programmes into a single, integrated office. They praised the growing culture of monitoring and evaluation, with its sharpened focus on development results. They welcomed the intention to strengthen capacity for decentralized evaluations and the quality controls being established to that end, and called on Member States to provide adequate support.

75. Delegations praised the undertaking of joint evaluations with governments, several noting the potential for national evaluation capacity development and for better alignment of programme activities. One delegation suggested that UNDP repeat the exercise it undertook several years ago to map evaluation institutions in programme countries.

76. Many delegations expressed concern at the lack of evaluation compliance across the organization. They urged UNDP to take concrete measures to instil a stronger commitment to evaluation among its management ranks. In that regard, they praised the establishment of the management response system and encouraged its expansion as a focused instrument to address the weaknesses identified in evaluations.

77. Delegations expressed concern at the results of the evaluations, pointing to the high number of outcome evaluations ranked as less than satisfactory. While recognizing the results matrix appended to the strategic plan, 2008-2011, as a significant step forward, they called on UNDP to address the challenge posed by the volume of unsatisfactory evaluations in a holistic manner.

78. The Director presented the joint evaluation of the United Nations Development Group contribution to the implementation of the Paris Declaration on Aid Effectiveness. She noted that the evaluation found that the United Nations Development Group was already addressing many principles of the Paris Declaration on Aid Effectiveness, particularly supporting country ownership and alignment with national development strategies. However, she stated, the evaluation found room for improvement in using country systems and in harmonizing across the United Nations Development Group. Finally, she extolled the merits of having conducted the evaluation jointly.

79. Several delegations welcomed the evaluation for its insight into the strengths and challenges of implementing the recommendations of the Paris Declaration on Aid Effectiveness in participating countries, particularly those related to mutual accountability. While noting that there was room for improvement in harmonization efforts, they applauded the conclusion of the evaluation that the United Nations Development Group was aligned with national priorities and supported national ownership.

80. Other delegations asserted that the Paris Declaration on Aid Effectiveness was not a United Nations instrument, and that evaluations based on its principles might be premature. Some queried perceived limits in the scope of the evaluation.

81. The Executive Board adopted decision 2008/17, taking note of the annual report on evaluation; decision 2008/18, taking note of the evaluation of UNDP in the net contributor countries of the Arab region (DP/2008/26), its corrigenda (DP/2008/26/Corr.1 and DP/2008/26/Corr.2) and the management response to that evaluation (DP/2008/27); and decision 2008/19 on the evaluation of the United Nations Development Group contribution to implementing the Paris Declaration on Aid Effectiveness.

## **XII. Human Development Report**

82. Senior management representatives of the Human Development Report Office, UNDP, presented an update on Human Development Report consultations, in line with General Assembly resolution 57/264.

83. Many delegations commended management for the transparent, participatory manner in which the consultations had been conducted. Some observed that the quality of human development reports had improved steadily over the years as a result. Some delegations encouraged management to strengthen consultations even further, and to make greater use of statistics compiled by national partners. In that regard, one delegation queried the use of the purchasing power parity index to calculate figures for the human development index featured in the report. In response, management described a planned series of regional seminars to explain the changes in data analysis and to request further input from national statistics authorities.

84. The Executive Board took note of the update on Human Development Report consultations (DP/2008/30).

### **XIII. UNDP country programmes and related matters**

85. The Associate Administrator, UNDP, presented draft country programme documents for Benin, Mauritius, Nigeria and Sudan; a two-year extension of the country programme for Pakistan; and extensions of the country programmes for Afghanistan, Argentina, Ecuador, Guatemala, the Republic of Korea, and the Turks and Caicos Islands.

86. Delegations expressed support for the country programmes presented. Some urged UNDP to strengthen synergies with partners on the ground in Afghanistan and in Sudan.

87. The Executive Board took note of the following draft country programme documents and relevant comments:

*Africa:* Benin, Mauritius and Nigeria

*Arab States:* Sudan

88. The Board also took note of the one-year extensions of the country programmes for Afghanistan, Argentina, Ecuador, Guatemala, Republic of Korea and the Turks and Caicos Islands, and approved the two-year extension of the country programme for Pakistan (DP/2008/31).

89. In his closing remarks, the President stressed that it was vital for organizations to ensure that in future, the governments of countries whose programmes were being discussed should be invited to attend the relevant session of the Executive Board.

### **XIV. United Nations Office for Project Services**

90. The Executive Director, United Nations Office for Project Services, presented the annual report of the Executive Director. He noted that the organization had exceeded targets and prior performance for business development and financial health. He outlined corporate priorities for the next 18 months, including improvements in project management and business processes and stronger partnerships with other United Nations organizations. In that regard, he described efforts to align operations with those of other United Nations organizations and to offer an expanded range of services. He noted investments in human resources, particularly staff learning and knowledge-sharing. Finally, he provided examples of achievements in project support over the course of the year.

91. Delegations expressed confidence in the organization and its management, noting improved financial performance and success in strengthening the effectiveness of teams in the programme countries. They commended the steps taken to achieve greater transparency in financial management, operations, audits and internal controls.

92. Delegations expressed regret that interfund balances remained to be settled with UNDP and urged a swift resolution. They acknowledged a sound investment in the recruitment and training of staff, but questioned a reported decrease in remuneration and staff-related overhead.



93. Delegations encouraged the organization to diversify its client base, while noting improvements in that regard. Some delegations suggested that the organization leverage its unique advantages to strengthen capacities at the country level. One delegation proposed that the United Nations Office for Project Services consider providing joint back-office support to United Nations organizations on the ground.

94. The Board adopted decision 2008/20 on the annual report of the Executive Director of the United Nations Office for Project Services.

95. An informal consultation was held on proposed adjustments to the governance structure of the United Nations Office for Project Services. Among the proposals were the following: that the Executive Director of the organization should have full accountability and authority, reporting directly to the Executive Board rather than to the Administrator, UNDP; that certain financial regulations should be amended to vest authority directly from the Secretary-General to the Executive Director; that personnel matters be managed directly by the Executive Director; and that the role of the management coordination committee be modified from a management oversight and supervisory function to a policy advisory function.

## **XV. United Nations Capital Development Fund**

96. The Associate Administrator, UNDP, introduced a presentation by senior management of the United Nations Capital Development Fund on its results-oriented annual report, including reporting on its cost recovery policy (decision 2008/4). Senior managers of the organization detailed its growth over the past year, including the extension of services to 18 new programme countries and the results of measures undertaken to serve partners more responsively in the areas of decentralization, local development and microfinance. The presentation made note of an increase in contributions and outlined the key elements of an implementation plan for 2008-2011 that contemplated expanding service to 45 least developed countries by 2011 and partnering more cohesively with UNDP.

97. Delegations praised the focus on least developed countries and the intention to expand the presence of the organization. They praised the positive results described in the report in local development and microfinance. They applauded efforts to strengthen the strategic partnership with UNDP, and encouraged more joint programming. They called on donors and UNDP to continue to improve levels and predictability of funding. One delegation announced that it was increasing funding support to the organization.

98. The Board adopted decision 2008/21 on the results-oriented annual report for 2007 of the Executive Director of the United Nations Capital Development Fund.

## **XVI. United Nations Volunteers**

99. The Executive Coordinator, United Nations Volunteers programme, presented the annual report of the Administrator on the programme. She described achievements in the three main focus areas: advocacy, mobilization of volunteers, and integration of volunteerism into development plans. She noted an upward trend in the geographical diversity and the number of volunteers deployed annually, notably in response to peacekeeping, disaster relief and humanitarian efforts.

100. Among management priorities, she noted measures to enhance support to system-wide efforts to strengthen aid effectiveness and coordination. She made special mention of a gender action plan, based on the UNDP gender strategy, which aims to improve the gender ratio among volunteers. In that regard, she stated that while gender parity targets had been exceeded among the ranks of volunteers and staff, there was room for improvement in the ratio of women to men deployed in volunteer assignments. Finally, she outlined plans to commemorate the Tenth anniversary of the International Year of Volunteers.

101. Delegations welcomed the incoming Executive Coordinator and paid tribute to her predecessor. They reaffirmed their commitment to the United Nations Volunteers programme, many describing a growing interest in volunteerism and detailing the contributions of the organization to development in their countries. They commended the diversity of interventions of the programme and of the volunteers themselves, noting positive implications for South-South cooperation in that a significant percentage of volunteers were Southern nationals assigned to work in developing countries. Some encouraged management to move beyond gender parity in recruitment towards increased deployment of women in volunteer assignments.

102. Delegations expressed support for the revised business model with its focus on advocacy, mobilization of volunteers, and integration of volunteerism into development planning. They praised efforts to improve results reporting and encouraged management to continue to refine indicators to better reflect attribution and to strengthen oversight and accountability.

103. Many delegations pledged their support to the planning of activities commemorating the 10th anniversary of the International Year of Volunteers. Many recognized the Special Voluntary Fund as a valuable incubator for innovation and good practices in volunteering, and encouraged Member States to support it.

104. The Executive Board adopted decision 2008/22 on United Nations Volunteers — Report of the Administrator.

## **XVII. United Nations Development Fund for Women**

105. The Associate Administrator, UNDP, introduced the presentation by senior managers of the United Nations Development Fund for Women (UNIFEM) on the cost recovery policy (following up on decision 2008/3) and the annual report of the Executive Director. Addressing the implementation of the cost recovery policy, management noted that since the beginning of 2008, new projects had been approved applying the 7 per cent standard cost recovery rate. They confirmed that the business model of the organization had been based on harmonized definitions and principles, and pledged to continue drawing on the experiences of other United Nations organizations in refining cost analysis and the impact of applied recovery rates. They set forth the criteria and procedures for deviating from the standard recovery rate.

106. Delegations welcomed the new Executive Director and paid tribute to her predecessor and the deputy who had served as Executive Director, ad interim, for an extended period. They expressed strong support for the mandate of the organization and for its achievements described in the annual report. They encouraged the organization to use its leadership role to promote gender equality and women's empowerment, and to seize every available opportunity to diffuse a gender

perspective throughout all aspects of the United Nations development system. In that regard, they encouraged the organization to use its comparative advantages as an effective partner for development.

107. Delegations applauded the increased funding to the organization. They cited this as evidence of growing worldwide recognition of the importance of women's empowerment and gender equality to the overall human development agenda. One delegation described a new campaign launched by its Government to promote a global alliance of outreach to women in the poorest countries.

108. Delegations praised the cost recovery policy in its attempts to harmonize with the practices of associated funds and programmes. They recognized it as an example of good corporate citizenship in line with the recommendations of the triennial comprehensive policy review. They recommended regular monitoring and follow-up on the policy. Many urged the organization to exercise restraint in granting waivers of the uniform recovery rate under the policy, recommending that such waivers be granted only in exceptional cases, of which the Board should be informed.

109. Delegations noted improvements to oversight, and encouraged the organization to further improve accountability and risk management, particularly in implementing its strategic plan. They requested additional information on the development of the risk assessment model.

110. The Executive Board adopted decision 2008/23 on the UNIFEM annual report and cost-recovery policy.

## **XVIII. Financial, budgetary and administrative matters**

111. The Associate Administrator, UNDP, presented the agenda item of UNDP engagement in direct budget support and pooled funds. He began by observing that direct budget support offered flexibility in responding to the needs and priorities of development partners. He laid out several criteria by which UNDP would consider engaging in sector budget support, including the following: host government request; relevance to the UNDP mandate or practice areas; potential for maximizing impact of UNDP policy and capacity development services; consistency of fund standards of results management, audit, monitoring and evaluation requirements with those of UNDP; and adequacy of fund management capacity. He proposed a pilot period for engaging in the modalities described, to coincide with the term of the UNDP strategic plan, 2008-2011.

112. Delegations commended management openness to exploring new aid modalities in remaining responsive to changing development needs. Many noted the potential of direct budget support to strengthen national ownership and leadership and to enhance local capacities, in line with the recommendations of the triennial comprehensive policy review. Some urged UNDP to exercise caution in adopting new aid modalities, while others reminded UNDP to be guided first and foremost by the needs and requests of national partners.

113. On the issue of pooled resources, several delegations queried the decision to restrict fund transfers to funds managed by United Nations organizations. Instead, they advocated a common approach, asserting that trustworthy mechanisms already in use by other international partners could be adopted by UNDP. Others praised the

pilot approach as allowing UNDP to study the modality over time and to establish criteria and benchmarks based on its own experiences.

114. Delegations called for further discussion of this item at the second regular session 2008.

115. The Executive Board Adopted decision 2008/24 on UNDP engagement in direct budget support and pooled funds.

## **XIX. South-South cooperation**

116. The Director, Special Unit for South-South Cooperation, UNDP, presented the draft fourth cooperation framework for South-South cooperation. He described attempts to respond to changing dynamics in the South; including increased South-South interactions in trade and investment; the growing importance of middle-income countries as drivers of development; and the growing recognition throughout the United Nations system of the value of South-South cooperation. Against that backdrop, he provided details of the three platforms forming the basis of the draft fourth cooperation framework: policy development, research and advocacy; knowledge management; and piloting innovations to scale up the impact of South-South cooperation. He explained how institutional and development results would be captured and evaluated.

117. Delegations took note of the growing importance of South-South and triangular cooperation in development effectiveness. They observed that South-South cooperation cuts across much of the work of the United Nations development system, and asserted that it should be considered as a complement to, and not a substitute for, North-South cooperation. They called on Member States to channel increased and more predictable resources towards the South-South cooperation efforts of UNDP.

118. Delegations praised the achievements of the Special Unit for South-South Cooperation under the third South-South cooperation framework. They praised the draft fourth cooperation framework as reflecting the guidance of the evaluation presented during the first regular session 2008, the 2007 Triennial Comprehensive Policy Review and decisions and resolutions of the General Assembly. Some urged management to strengthen cooperation with non-governmental organizations and to prioritize capacity enhancement of national partners. They encouraged UNDP to develop a robust approach to South-South cooperation spearheaded by the Special Unit for South-South Cooperation.

119. The Executive Board took note of the draft fourth cooperation framework for South-South cooperation (DP/CF/SSC/4).

## XX. Other matters

### *UNDP*

120. An informal briefing was held on the report of the external independent investigative review of UNDP operations in the Democratic People's Republic of Korea. The President of the Executive Board invited the Administrator, UNDP, to introduce the members of the panel convened to conduct the review.

121. The Administrator noted that the panel had been convened to address some very serious allegations that had been raised. He noted that the panel had been appointed jointly in consultations between UNDP management and the President of the Executive Board. He commended the panel for going beyond the call of duty in taking on more work than had initially been expected, which included a comprehensive review of materials generated over 10 years.

122. Turning to the findings and recommendations of the report, the Administrator observed that these should be read in their entirety and spoke for themselves. The recommendations would prove valuable to UNDP in difficult or unique working environments around the world. He stated that UNDP management had begun working on the recommendations, which he announced would be the focus of a special management meeting in July 2008. He took note of recommendations to make clearer to country offices the distinctions between compulsory and voluntary practices, offer stronger guidelines for addressing special features of banking systems in duty stations, and delineate authority more clearly among national partners, UNDP and other organizations.

123. He pointed to operational improvements already in progress that were consistent with the panel recommendations. These included increasing the range and volume of information disclosed on UNDP websites, and improving the Atlas system to permit easier monitoring of how and by whom resources were directed. He urged Member States to take note of those improvements, assuring them that management had taken the panel recommendations very seriously and welcomed all insights gained from the review to strengthen future performance.

124. The Chair of the panel presented a brief overview of the investigation, including its scope, conduct and findings. He assured all present that the panel had done its best to fulfil its terms of reference objectively, independently and professionally. He thanked UNDP and the United Nations for their cooperation, and noted the assistance of the United States in providing data. He emphasized that no one had sought to influence the panel during the process.

125. He stated that the exercise had involved reviewing a large number of documents, analysing evidence gathered from various sources, and conducting more than 70 interviews with current and former staff members of UNDP, the United Nations and others. He acknowledged that the panel had not gained access to government officials in Pyongyang, the foreign trade bank that the UNDP office had used in Pyongyang, or national staff.

126. He urged that the report be read in its entirety rather than in extracts that might be taken out of context. He stated that the report had determined that during the period under review, UNDP had disbursed \$23.8 million in connection with the DPRK, of which \$16.9 million had been disbursed on its own behalf and \$6.9 million

on behalf of other United Nations entities. Additional funds of approximately \$14.6 million had been disbursed on behalf of UNDP by other country offices and other United Nations organizations, \$7.4 million of which had been disbursed and verified between January 2004 and March 2008. Approximately \$7.2 million had been disbursed but not verified by the panel from 1999 to December 2003, a period that preceded the implementation of the Atlas system and would have proven cost-prohibitive to verify. He indicated that based on professional advice, the panel had decided to refer in the report to a range of \$2.3 million to over \$7 million, in response to the figure of \$7.2 million that UNDP had supplied but the panel had been unable to verify.

127. Quoting from the report, he stated that the review had determined that the majority of the country programme — notably the larger, more complex and higher-risk projects — had been managed, monitored and evaluated substantially in accordance with UNDP requirements. He added that the panel had scrupulously reviewed 106 projects.

128. He noted that the panel had found some deficiencies in the management of some projects of the type one can find in many other development banks or institutions, adding that constant monitoring and effective oversight could remedy those issues.

129. He stated that the panel had concluded that there was no merit to allegations that field visits had not occurred. Turning to allegations of the dual use of equipment, he stated that the panel had identified this as a delicate issue for the entire United Nations system.

130. He also presented a review conducted by the panel of a whistleblower's allegations of irregularities in UNDP operations in DPRK and of UNDP retaliation against him. He stated that he had reviewed the whistleblower case personally. He had determined that while the whistleblower raised some legitimate concerns that entitled him protection from retaliation, UNDP had not retaliated against him. He stated that the whistleblower had "cheated" a Permanent Mission to which he had brought his concerns.

131. Finally, he expressed the satisfaction of the panel with the results of the review. He encouraged that all parties work together to improve the effectiveness of the organization.

132. Delegations thanked the panel for the presentation and for its dedication and perseverance in preparing what many praised as a comprehensive and analytical report. Many welcomed the opportunity to discuss the findings in an open and transparent manner.

133. Many delegations noted that the allegations that had prompted the review had been found by the panel to be unsubstantiated. They noted that the panel had concluded that, on the whole, UNDP had operated in accordance with applicable rules and procedures. Many observed that the characterization of UNDP activities in the media appeared to have been unduly negative in the light of the conclusions of the report, which were consistent with conclusions reached in previous investigations by other parties. Some expressed the hope that any damage to the credibility and reputation of UNDP resulting from the allegations could be repaired. Many declared that the matter had now been reviewed exhaustively, and urged that it be brought to an end.

134. Delegations called on UNDP to adhere to its mandate of delivering development assistance and to resist any politicization of its activities, underscoring in that regard their impression that the allegations had been politically motivated. They stressed that politicization of development activities risked grave consequences for the millions of poor people around the world who relied on impartial, effective UNDP support.

135. Some delegations expressed regret at the level of resources spent in pursuing the allegations beyond the completion of the audit by the United Nations Board of Auditors — resources which many asserted might otherwise have been devoted to programme activities, or to strengthening UNDP operations. Some requested an accounting of the cost of the investigation.

136. Several delegations stressed that the situation should not set a precedent, and that the disruption of country programmes must be rigorously avoided. They asserted that such decisions would be best taken in inter-governmental bodies.

137. Many delegations expressed support for the resumption of UNDP activities in the Democratic People's Republic of Korea on a mutually acceptable basis, noting the urgent needs of the local population and the important contributions made by UNDP in addressing them. They asserted that the allegations had distracted from the capacity-strengthening support and development assistance that UNDP had been providing. Some noted the unique position of UNDP, which supports the government in formulating effective policies to address the chronic development challenges facing the country.

138. One delegation pointed out that development assistance to the Democratic People's Republic of Korea was dwarfed by assistance to other countries of comparable size and population, and that UNDP expertise in crisis prevention and recovery would be a welcome intervention in a country vulnerable to natural disasters. That delegation suggested that future UNDP operations in the country might include stationing a country director or resident coordinator who would also serve as humanitarian coordinator.

139. A representative of the Democratic People's Republic of Korea took the floor as a concerned state. He noted that reports by the United Nations Board of Auditors, by a subcommittee of the United States Senate, and by the external independent investigative review panel had all found the allegations to be groundless. He asserted that the underlying issues that had given rise to some allegations, including hard currency payments and the hiring of national staff, could have been resolved through consultations rather than what he termed unilateral action. He urged UNDP to preserve full objectivity and impartiality in its operations and to respect the sovereignty of programme countries. He called on the Executive Board to review the situation impartially and to arrive at a just and objective decision. He pledged the continued cooperation of his Government.

140. Delegations praised the recommendations contained in the report for improving accountability, transparency and oversight. They encouraged UNDP to move swiftly to implement them, noting that the panel had found instances not in line with rules relating to financial and procurement procedures. While acknowledging the unique and difficult operating environment in the country, some delegations noted that UNDP administrative practices had not been sufficiently robust in addressing the challenges. Some suggested that UNDP examine the

administrative practices used by other international development partners in the country before altering its own procedures.

141. Delegations expressed concern about the panel findings of instances of mismanagement, particularly with regard to allegations of counterfeit bank notes and the dual use of technology. They encouraged UNDP to improve transparency, accountability and oversight, some welcoming measures already being implemented in that regard, such as improvements to internal audit procedures.

142. Many delegations noted that the recommendations of the panel had broad applicability for the organization as a whole, particularly in challenging environments. Many pointed out that it was in precisely such difficult environments around the world that UNDP was most needed, and called on the organization to adopt recommendations to improve its effectiveness. They requested UNDP to report back to the Executive Board on the progress of implementation.

143. Some delegations asserted that the issues that had given rise to the investigation might have been resolved in a less disruptive manner. They called on UNDP and on Member States to exercise restraint in handling confidential information.

144. Delegations also urged UNDP to use care in maintaining relationships with the countries within which it would operate, and to respect the views of programme countries in its consultations and in the execution of country programmes.

145. One delegation, while welcoming the report, expressed concern about some of its findings regarding deficiencies in management and a lack of transparency and oversight of activities in the Democratic People's Republic of Korea. That delegation noted that the report had confirmed that some payments had been made in 'cash-checks', and that in 74 per cent of cases the panel had been unable to verify the identity of some payees. The delegation also noted that the panel had been unable to conclude that diversions had not occurred. The delegation expressed concern at the broad range of unverifiable funds allegedly transferred by or on behalf of UNDP. The delegation cited the finding that UNDP had not adequately aligned its management practices to address the particularities of the local working environment, including to safeguard against misuse of accounts by government officials and the use of counterfeit notes. The delegation pointed out that, although the panel had found no evidence of retaliation against the person who had originally reported the allegations, the panel had concluded that he had been justified in raising issues about practices in the office. The delegation welcomed the recommendation that internal audits be made available to Member States, and pledged to follow up with UNDP as to the implementation of that and other recommended reforms. The delegation called on UNDP, as the lead agency for United Nations system-wide coherence, to set the standard in management, ethics, transparency and accountability.

146. Following adoption of the decisions and discussion of the tentative work plan for the second regular session of the Executive Board, many delegations took the floor to reiterate their call for UNDP to re-engage with the Democratic People's Republic of Korea in the light of the briefings held during the session. The Board agreed to include an informal consultation on the People's Democratic Republic of Korea at the second regular session 2008.



147. As requested by the concerned delegations during the briefing, the statements delivered by the delegation of Antigua and Barbuda on behalf of the Group of 77 and China pertaining to this matter are contained in the annex to this report.

*UNFPA*

148. UNFPA organized a special event panel discussion on *Moving beyond commitments to deliver on MDG 5: The role of UNFPA and its partners*. The panellists included the Minister of Health, Ethiopia, the Permanent Representative of Denmark; the Director-General of Health, Côte d'Ivoire; the Assistant Director-General, WHO; a fistula surgeon; and the UNFPA Executive Director.

149. UNFPA also organized: (a) an informal briefing on reproductive health commodity security; and (b) a panel discussion on humanitarian response focusing on the challenges and opportunities for re-establishing maternal and reproductive health services during recovery and transition situations.

## **Annex**

### **Statements made by the delegation of Antigua and Barbuda on behalf of the Group of 77 and China in relation to the briefing on the report of the external independent investigative review of UNDP operations in the Democratic People's Republic of Korea**

**Tuesday, 24 June 2008**

150. Mr. President, I have the honour to deliver this statement on behalf of the Group of 77 and China. The Group would like to thank the distinguished panel of experts for their briefing on the report and its findings. The briefing and the presence of the members of the investigative panel here before the Executive Board provide an opportunity to discuss the findings of the report in an open and transparent manner. At the same time, the Group recognizes that the nature of UNDP operations requires some measures of discretion and confidentiality if the organization is to be able to carry out its core development mandate as effectively as possible, in order to reach those who need development assistance most.

151. We are pleased to note that the findings of the investigation panel indicate that the allegations made were baseless, and this would further suggest that they were politically motivated. On this issue during previous sessions of the Executive Board, both formal and informal, the Group has expressed its concern at the politicization of UNDP country programmes, which deliver vital development assistance to millions of people. We remain concerned at this, as we are of the view that such allegations and suspicions are distractions from the work of UNDP and hamper the organization's ability to deliver development assistance to people in need.

152. Mr. President, the investigation has detracted from the focus of UNDP in delivering vital development assistance and capacity-building support to the people of the Democratic People's Republic of Korea since suspension of the UNDP-DPRK programme in 2007. With the conclusion of the investigation and the release of the findings, the Group believes the way is now cleared for UNDP to resume its operations in the Democratic People's Republic of Korea, and to again focus its attention on delivering development assistance and building capacity for poverty eradication, in accordance with its mandate.

153. Having considered the report, the Group is of the view that it has cleared the suspicions and misgivings surrounding the operations and activities of UNDP at the country level in the Democratic People's Republic of Korea. The Group therefore calls for an immediate resumption of the UNDP-DPRK programme.

154. It is unfortunate that UNDP has had to expend precious time and resources, including financial resources that could otherwise have been attributed to programming, to absolve the organization of allegations such as those which led to the investigation, even after the completion of the audit by the UN's External Board of Auditors in May of 2007.

155. Mr. President, the Group of 77 and China fully recognizes the importance of accountability and oversight in relation to UNDP's activities and the need for Member States' assurances that the operational activities of UNDP remain fully accountable. At the same time, in the pursuit of accountability, care must be taken to

safeguard the relationship between the organization and the countries within which it operates, and to ensure respect for the views of programme countries on the execution of country programmes, so that much-needed development assistance can reach the poor and most vulnerable at all times, and that the organization can be allowed to focus on its core development mandate of poverty alleviation.

156. In conclusion, Mr. President, the Group of 77 and China is of the view that investigations based on politically motivated allegations, and the suspension of country programmes due to such allegations, should not set a precedent, and the disruption of country programmes should be vigorously avoided.

157. Finally, Mr. President, the Group of 77 and China would like to hear from the members of the panel an elaboration on the cost of this investigation in terms of financial resources, human resources, time, as well as the opportunity cost in terms of how these resources could have otherwise been spent in direct relation to development programming and poverty eradication, and the impact on the ground as a result of disruption of the country programme. Thank you, Mr. President.

#### **Friday, 27 June 2008**

158. Mr. President, we are pleased with the amendment made to the work plan for September's Executive Board meeting, which the Board just now adopted.

159. Mr. President, on Tuesday we had a very interesting and enriching discussion during the briefing on the report of the external independent investigative review of the UNDP operations in the Democratic People's Republic of Korea. During that discussion, many Member States expressed their strong desire to see UNDP re-engage with the Democratic People's Republic of Korea, with a view to resuming a country programme on the basis of mutual agreement.

160. Against this background, we in the G77 would have welcomed a decision by the Executive Board, requesting the UNDP Administrator to enter into discussions with a view to resuming the country programme, with the possibility also of reporting back to the Executive Board on this with proposals in January 2009, first regular session. However, in recognition of a need for flexibility on this matter, and in lieu of a decision at this current Board session, the G77 looks forward to, and fully expects, a decision on this issue in the second regular session 2008, following the informal consultations. We look forward to hearing from the Administrator on substantial measures taken in this regard. We can no longer allow further delay on this matter; it is the responsibility of the Executive Board to ensure that progress is made, in a mutually agreeable way, on this issue.

161. Mr. President, the Group would also respectfully request that a summary reflecting the depth of the discussion during the briefing on Tuesday be included in the official report of this meeting of the Executive Board.

162. And finally, Mr. President, please allow me this opportunity, on behalf of my Group, the G77 and China, to thank you, Sir, for the manner in which you have presided over this session, for your patience and understanding. Our thanks also to your Vice-Chairs for their hard work. We look forward to seeing you back in New York. Thank you.



**Part three**  
**Second regular session 2008**

**Held at United Nations Headquarters in New York  
from 8 to 12 and on 19 September 2008**

## **I. Organizational matters**

1. The second regular session 2008 of the Executive Board of UNDP and UNFPA was held at the United Nations, New York, from 8 to 12 and on 19 September 2008.
2. The Executive Board approved the agenda and work plan for the session (DP/2008/L.3), and approved the report of the annual session 2008 (DP/2008/37).
3. The Executive Board agreed to the following schedule of sessions of the Executive Board in 2009:

First regular session 2009:	19 to 22 January 2009
Annual session 2009:	26 May to 5 June 2009 (New York)
Second regular session 2009:	8 to 11 September 2009
4. Decisions adopted by the Executive Board at the second regular session 2008 were included in document DP/2008/38, accessible at [www.undp.org/execbrd](http://www.undp.org/execbrd).

### **UNFPA segment**

## **II. Statement of the Executive Director and financial, budgetary and administrative matters**

5. The Executive Director began her statement by underscoring that true breakthroughs required more than strategic plans; they depended on inspired collaboration and UNFPA would not have progressed in becoming a more field-focused and results-oriented organization without the strong support and guidance of the Executive Board. She updated the Board on developments, including the status of the Fund's reorganization. She highlighted the centrality of the Programme of Action of the International Conference on Population and Development (ICPD) as the international community prepared for the upcoming high-level meeting on the Millennium Development Goals (MDGs). She stressed the need for policies that were just and equitable and placed people at the centre. She underscored that MDG 5 to improve maternal health would not be achieved unless women had universal access to reproductive health, especially with regard to family planning, skilled attendance at birth and emergency obstetric care.
6. In elaborating on the 17<sup>th</sup> International AIDS Conference held in Mexico, the Executive Director emphasized the need to intensify HIV prevention as had been done in the case of treatment, as well as strengthen the fight against stigma and discrimination. She stressed the importance of linking interventions for HIV and sexual and reproductive health. She highlighted the Fund's ongoing work in the areas of reproductive health commodity security (RHCS); the Campaign to End Fistula; South-South cooperation, and the culture-sensitive approach to programming. She noted that in 2008 the UNFPA flagship publication State of World Population would focus on culture, gender and human rights (the report would be launched on 12 November). She introduced Nobuko Horibe, the new Director of the Asia and the Pacific Regional Office, noting that Ms. Horibe had served at UNFPA since 1987.
7. The Executive Director reported that, as requested by the Executive Board, baseline data had been compiled and targets developed for all indicators for the UNFPA strategic plan 2008-2011. She introduced the agenda item on financial, budgetary and administrative matters and presented the proposal to revise UNFPA

Financial Regulation 14.5 on ex-gratia payments as contained in the documents before the Board (DP/FPA/2008/15 and corrigendum DP/FPA/2008/15/Corr.1; and DP/FPA/2008/16). She noted that in the aftermath of the Algiers bombing in 2007 and the unprecedented threats which prevailed globally, UNFPA was proposing lifting the annual limit of \$25,000 for ex-gratia payments. She added that lifting the financial cap would allow UNFPA to be harmonized with other United Nations funds and programmes. She briefed the Board on results-based budgeting issues, including the work on cost classifications. The full text of the Executive Director's statement is available on the UNFPA website, at [http://www.unfpa.org/exbrd/2008/2008\\_second.htm](http://www.unfpa.org/exbrd/2008/2008_second.htm).

8. The Executive Director concluded by informing the Executive Board that the Secretary-General had informed her that he had extended her tenure by two years. The announcement was greeted by warm applause from Board members.

9. Delegations congratulated the Executive Director on the extension of her tenure and expressed great appreciation and admiration for her leadership and stewardship. Numerous delegations underscored their support for UNFPA and their confidence in the Executive Director. Several delegations commended the dedication of UNFPA staff and recognized that staff in the field frequently worked in challenging conditions. Delegations stressed the key contribution of UNFPA in achieving the target of universal access to reproductive health for MDG 5. They emphasized the link between human rights, women's empowerment and development. Noting the upcoming high-level event on MDGs in the General Assembly, delegations pointed out that MDG 5 was lagging in progress and called for increased attention to reducing maternal mortality — an area where UNFPA had a central role to play.

10. Some delegations emphasized the role of men and boys in achieving gender equality and reproductive health. The work of UNFPA in sector-wide approaches and pooled funding, as well as in sexuality education for youth was commended. Delegations called for increased efforts to make reproductive health commodities more accessible and to close the gap on the unmet need for contraceptives. The importance of HIV prevention was underscored. UNFPA work in the area of sexual and gender-based violence and development of the culture-lens methodology was commended. Numerous delegations expressed support for the revision in financial regulations proposed by UNFPA with regard to ex-gratia payments.

11. The delegation of Sweden stated that it had conducted an assessment of its multilateral partners and UNFPA had scored high in effectiveness, as well as in Sweden's policy priority areas such as international development cooperation, gender equality and human rights. The delegation of Japan thanked the Executive Director for participating in the Fourth Tokyo International Conference on African Development (TICAD IV). The delegation of the Netherlands announced that it would more than double its contribution to the Fund's Global Programme on Reproductive Health Commodity Security and would contribute an amount of five million euros over three years to the Universal Access to Female Condoms Programme. The delegation of Australia announced that it would also increase its contribution to UNFPA.

12. The Executive Director thanked the President and Executive Board members and others for their warm congratulations on the two-year extension of her tenure. She expressed deep appreciation for their support and the tributes to her leadership and vision and thanked them for recognizing the dedication and hard work of UNFPA staff. She thanked Sweden for reporting that UNFPA had scored high in the

assessment of multilateral partners. She thanked the Netherlands for doubling its support to RHCS and the additional contribution for the female condoms programme, and appreciated that the delegation had raised the important issue of sex education for young people. She thanked Australia for announcing an increase in funding to UNFPA; and Ireland for its multi-year funding agreement. She thanked Switzerland for supporting her vision of a culture-sensitive approach to programming; and Denmark for honouring her as a torchbearer in the Torch Campaign and Global Call to Action on MDG 3.

13. She reiterated the strong support of UNFPA for South-South cooperation as well as North-South cooperation. She assured the Executive Board that the Technical Division of UNFPA was working on demonstrating the interlinkages between reproductive health and poverty. She concurred that working with men and boys was essential to promote gender equality and universal access to reproductive health. She noted that the Health 8 (H 8) group was collaborating on those critical areas of work. She appreciated the supportive comments from Board members regarding ex-gratia payments and the need to revise the pertinent financial regulations and rules. Regarding the High-Level Committee on Management (HLCM)-led work on United Nations system business practices, she noted that it had been completed and was being reviewed by the Secretary-General. She concluded by thanking the President and the Executive Board for supporting the mission and work of UNFPA.

14. The Executive Board adopted decision 2008/26: Revision of the financial regulations of UNDP and UNFPA.

### **III. Country programmes and related matters**

15. The Deputy Executive Director (Programme) introduced seven new draft country programme documents (DCPs) for Angola, Côte d'Ivoire, Kenya, Mauritania, Timor-Leste, Haiti and Venezuela; and the third one-year extension for the Lebanon country programme. She noted that the programmes were developed through a participatory process involving the respective Governments and other national and international stakeholders, including civil society. The directors of the Africa Regional Office, the Arab States Regional Office, the Latin America and Caribbean Regional Office and the officer-in-charge (OIC) of the Asia and the Pacific Regional Office provided details regarding the specific programmes from their respective regions.

16. During the discussion, programme countries thanked UNFPA for the excellent collaboration and cooperation and underscored their commitment to address such issues as maternal and child mortality; access to reproductive health services, including HIV prevention and reproductive health commodity security; and gender equality. Delegations highlighted the participatory process utilized to develop the DCPs which had involved national authorities, non-governmental organizations (NGOs), including faith-based organizations, and other development partners. They emphasized the need to increase access to reproductive health care information and services, including for marginalized groups. They encouraged focusing greater attention on maternal mortality reduction, reproductive health commodity security, family planning, emergency obstetric care, HIV prevention and addressing gender-based violence. They also noted the need to address the sexual and reproductive health needs of youth, including out-of-school youth. One delegation noted the need for age-appropriate sex education and increased involvement of parents. Referring



to its country programme, one delegation welcomed the interlinking of development efforts with disaster preparedness and response mechanisms.

17. Delegations appreciated the UNFPA focus on building national capacity. They inquired about partnerships in the area of gender-based violence. One delegation noted that in light of the recent coup d'état in Mauritania, UNFPA should consider revising the draft country programme to adjust it to the new circumstances. In elaborating on the current political situation the delegation of Mauritania emphasized the country's commitment to democracy and good governance. Delegations congratulated the Executive Director on her two-year extension and underscored the confidence they had in her leadership. They assured her of their full support.

18. The UNFPA Deputy Executive Director (Programme) and the respective regional directors and OIC appreciated the guidance provided by the Executive Board members and noted that the comments would be conveyed to the concerned countries to take into account in finalizing the country programmes. They assured the Board that UNFPA programming was undertaken in the context of national frameworks and national development planning and priorities. UNFPA-supported programmes were designed to respond to the needs of the people, including the most disadvantaged population groups. Also, there was a clear focus on national ownership and leadership, and capacity-building. The Fund's work was undertaken in close partnership with Governments, NGOs and other development partners. Strengthening of the health work force was an important area where work was being coordinated with WHO. In the areas of in-school and out-of-school sex education, efforts were coordinated with UNICEF and other partners. Similarly, UNFPA collaborated with UNIFEM and other partners in addressing gender-based violence.

19. The Executive Board, in accordance with decision 2006/36, approved the country programmes for Benin, the Republic of the Congo, Niger, Nigeria and the Sudan that had been discussed and reviewed earlier at the Annual session 2008. The Board approved the programme extension for Lebanon. In addition, the Board took note of the DCPs for Angola, Côte d'Ivoire, Kenya, Mauritania, Timor-Leste, Haiti and Venezuela and the comments thereon, which would be conveyed to the concerned countries to take into account in finalizing the programmes. As per decision 2006/36, the finalized programmes would be posted on the website within six weeks of the discussion and would be approved at the first regular session of the Executive Board.

## **UNDP segment**

### **IV. Administrator's statement**

20. The Administrator extended condolences to the families of the seven United Nations staff members, including five from UNDP, who perished in a recent plane crash in the Democratic Republic of the Congo.

21. The Administrator assessed the state of the global economic slowdown triggered by the financial crisis in developed countries. He observed that while most developing countries were seeing exports decline and increases in commodity prices outstripped by the tremendous increase in oil and food prices, the slowdown had been somewhat contained by robust growth in certain developing markets in Asia. Even those markets, however, were experiencing unprecedented inflationary

pressures. He called for a decisive, coordinated response on the part of UNDP and the international community to stimulate the economy without exacerbating inflation.

22. Taking note of the many initiatives announced recently in response to the global economic crisis, the Administrator asserted that despite the apparent increase in aid to developing countries, funding had in fact decreased. He pointed to the failure of the most recent round of Doha trade talks as further impetus for the global community to join forces in fighting poverty and correcting asymmetries in growth and development.

23. The Administrator characterized UNDP as financially strong, noting a nominal increase in voluntary contributions (core and non-core resources) to \$5.2 billion. However, he was troubled by the 1:4 ratio of regular to other resources. He encouraged Member States to increase funding levels and predictability.

24. He described measures to improve transparency in UNDP programmes and operations, including the increasing range of information available on country office websites. He spoke of efforts to broaden access to internal audits while safeguarding confidentiality and ensuring the appropriate use and disclosure of the information. The full text of the Administrator's statement is available on the Executive Board website, at [www.undp.org/execbrd](http://www.undp.org/execbrd).

25. Delegations acknowledged the vital role of UNDP as a partner in development at the country level. Many concurred with the Administrator's analysis of the global economic situation, observing that climate change and the food and energy crises posed challenges to capacity development in many countries and heightened the urgency for UNDP interventions. They stressed the importance of national ownership and leadership as guiding principles.

26. Delegations noted that with the failure of the most recent round of Doha trade talks, UNDP leadership at the global level would become even more pivotal to the development prospects of the poorest countries. Several delegations called on donor and programme countries to renew, in concrete and measurable terms, their commitment to achieving the Millennium Development Goals. Some urged UNDP to pay special attention to the least developed countries, recommending a particular focus on Africa.

27. Many delegations welcomed the implementation phase of the strategic plan, 2008-2011. Some reiterated that poverty alleviation should remain the ultimate objective of the human development approach undertaken in all UNDP interventions.

28. Delegations applauded the progress achieved toward United Nations system-wide coherence. Some noted the positive feedback from the 'delivering as one' pilot programmes. They expressed optimism that the Accra Agenda for Action would provide further impetus for harmonization efforts. Others expressed their approval of measures to improve accountability, transparency and oversight. They praised the wide range of information available on country office websites. Several observed that financial information had been reported in a clearer and more understandable way than previously. Some stressed the importance of strengthening confidence in UNDP and other United Nations organizations.

29. Many delegations took the floor to express their condolences for those lost in the plane crash in the Democratic Republic of the Congo.

## V. Financial, budgetary and administrative matters

30. The Associate Administrator presented an overview of financial, budgetary and administrative matters. He confirmed that total income for 2007 was \$5.63 billion, an 8 per cent increase in nominal terms. He pointed out, however, that regular resources continued to be dwarfed by other resources at a ratio of 1:4, a worrying trend compromising efforts to shore up the predictability of funding for steady investment in long-term capacity development strategies. He noted that overall expenditure had remained stable at \$4.77 billion, though expenditure under regular resources had risen by 7 per cent.

31. The Associate Administrator spoke of the crucial role of UNDP in the United Nations system, including managing a growing volume of resources on behalf of other United Nations organizations — \$1.91 billion in 2007 (up from \$1.08 billion in 2006). He described plans for UNDP to adopt, by 2010, the International Public Sector Accounting Standards, which would harmonize accounting policies across the United Nations system and increase accountability and transparency. He drew attention to the four-year pilot exercise, beginning in September 2008, in which UNDP would make financial contributions to pooled funding and sector budget support at the request of the recipient country. He described measures to align cost classification and results-based budgeting among UNDP, UNFPA and the United Nations Children's Fund.

32. He outlined a proposal to amend the financial regulations so as to permit ex-gratia payments in excess of the current limit in certain emergency situations, and described new management responses to the human resources challenges of staff attrition and gender parity.

33. Delegations expressed concern about the persistent 1:4 ratio of regular to other resources, noting that the volatility of the current global economic climate warranted greater stability and predictability of regular resources. They expressed support for the stated corporate target of a 1:3 ratio. Many urged UNDP to reduce support expenditures and called on Member States to increase regular funding support to UNDP.

34. Turning to UNDP responses to the changing aid environment, several delegations requested further information on proposals for pooled funding and sector budget support. Some expressed support for the UNDP proposal to join processes of sector budget support or pooled funding at the country level. Others asserted that any new aid modalities should be implemented within the framework of a General Assembly resolution and subject to the prescriptions of the triennial comprehensive policy review.

35. The Executive Board adopted decision 2008/26 on the revision of the financial regulations of UNDP and UNFPA; decision 2008/27 on the annual review of the financial situation, 2007 (UNDP); decision 2008/28 on the activities of the Inter-Agency Procurement Services Office for the biennium 2006-2007; and decision 2008/29 on the role of UNDP in the changing aid environment at the country level. The Board took note of the report on the information on United Nations system technical cooperation expenditures 2007 (DP/2008/40) and its addendum (DP/2008/40/Add.1).

## VI. Evaluation

36. The Director of the UNDP Evaluation Office presented the evaluation of the third global cooperation framework. She clarified that the evaluation assessed the relevance, effectiveness, efficiency and sustainability of the framework, noting that the evaluation concluded that while there was a need for such a framework at the global level, the contributions of the framework had not met expectations. Among the recommendations she highlighted were clearer definitions of the global role and strategic focus of future global programmes, with stronger results and accountability frameworks; improved corporate strategies and delivery mechanisms; alignment of global programme management with standard corporate practices; and strategic, sustained partnerships with United Nations organizations and other development institutions.

37. The Deputy Director of the UNDP Bureau for Development Policy provided the management response, which acknowledged the need to strengthen global programme monitoring and evaluation and better manage for results. He also described measures to align the global programme more closely with the strategic plan, 2008-2011, and with the triennial comprehensive policy review.

38. Delegations expressed support for the findings of the evaluation and encouraged UNDP to adopt its recommendations.

39. One delegation encouraged the Executive Board to take account of previous comments on the framework, as well as discussions of the strategic plan, 2008-2011, and of the most recent triennial comprehensive policy review. Another delegation encouraged UNDP to strengthen indicators, and to better distil national and regional results in the areas of HIV/AIDS and gender equality.

40. The Director presented the evaluation of the role and contribution of UNDP in managing environment and energy for sustainable development. She highlighted recommendations for UNDP to reformulate its strategic priorities in response to the national priorities of partner countries; address gaps in its responses to local environmental priorities; strengthen its policy dialogue with programme countries; mainstream environment and energy into other practice areas; and strengthen country office capacity.

41. The Associate Administrator presented the management response, in which he described measures being undertaken by UNDP to strengthen the culture of monitoring and evaluation throughout the organization.

42. Delegations welcomed the evaluation, noting that World Bank activities in the environment and energy were being evaluated concurrently. They praised the conclusions of the evaluation as the basis for a viable approach at the country level, and encouraged UNDP to improve cohesiveness in its policies and programmes and to work towards a better division of labour among United Nations organizations and the Bretton Woods institutions. They encouraged UNDP to avoid fragmentation, overlap and dilution of the development architecture.

43. Delegations urged UNDP to craft its policies to respond to national priorities rather than to the availability of funding, and to help strengthen country-level capacity to respond to climate change. They recommended that UNDP reorient its interventions to focus on adaptation to climate change rather than on mitigation.

44. Delegations observed that there was a lack of aggregate data on UNDP environmental activities. They noted that UNDP reporting tended to focus on

activities rather than outcomes, and encouraged management to emphasize results in its reporting.

45. Delegations took note of the management response to weaknesses in the evaluation, notably the fact that the evaluation took into account the experiences of only eight countries and was not based entirely on empirical evidence.

46. The Director presented the evaluation of the programme of work of the Evaluation Office.

47. The Executive Board adopted decision 2008/30 on the role and contribution of UNDP in the environment and energy, and decision 2008/31 on the programme of work of the Evaluation Office.

## **VII. Country programmes and related matters**

48. The Associate Administrator presented draft country programme documents for Angola, Côte d'Ivoire, Haiti, Kenya, Mauritania, Niger, Republic of the Congo, Timor-Leste and Venezuela; country programme extensions for Burundi and Lebanon; and finalized draft country programmes for Benin, Mauritius, Nigeria and Sudan. He also introduced the fourth global programme.

49. Delegations expressed support for the country programmes presented. Delegations of several countries with programmes under consideration took the floor to convey the importance of UNDP contributions to their national development plans. Many praised the consultative process that had produced the country programme documents. Others urged UNDP to tailor its contributions to focus on its comparative advantages.

50. Delegations encouraged Member States to support recovery efforts in Haiti in response to the damage suffered as a result of three successive cyclones in 2008.

51. One delegation suggested that the draft country programme document for Niger should include a more detailed analysis of the post-conflict response in that country.

52. The delegation of one of the countries with a programme under consideration took the floor to assert that its human development index ranking did not accurately reflect recent improvements in social service delivery. The delegation announced that its government had recently taken measures to improve the accuracy of its statistical data.

53. Two delegations suggested that adoption of the country programme for Mauritania be postponed in the light of the recent coup d'état in that country. The delegation of Mauritania took the floor to assure the Executive Board that the political situation in the country would not affect the progress of UNDP activities.

54. The Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, introduced the new Resident Representative for Myanmar, who provided an overview of the UNDP programme of assistance in that country. He thanked the international community for its support, sympathy and generous assistance in the wake of cyclone Nargis.

55. Delegations expressed support for the people of Myanmar, and commended UNDP contributions to the recovery efforts. One delegation encouraged UNDP to engage the government in policy dialogue on key development issues, including

distortions of agricultural markets, access to microcredit, and an understanding of the nature, extent and causes of poverty. Another delegation stated that the report on the Human Development Initiative contained a wealth of information and requested that it be posted to the Executive Board website upon completion.

56. The Executive Board adopted decision 2008/32 on the evaluation of the third global cooperation framework and on the fourth global programme, 2009-2011. The Board approved, on a no-objection basis, the following country programmes in Africa: Benin, Mauritius and Nigeria; and the following in the Arab States: Sudan.

57. The Executive Board took note of draft country programme documents and related comments in connection with Angola, Côte d'Ivoire, Haiti, Kenya, Mauritania, Niger, the Republic of the Congo, Timor-Leste and Venezuela. The Board heard an oral briefing on the UNDP response to the humanitarian emergency created by cyclone Nargis.

## **VIII. United Nations Office for Project Services**

58. The Executive Director, United Nations Office for Project Services (UNOPS), presented a report on the governance structure of the organization; a status report on the implementation of the recommendations of the United Nations Board of Auditors, 2004-2005; and the annual statistical report on the procurement activities of United Nations system organizations. He noted that the Board of Auditors had issued the organization its first unqualified external audit opinion in six years, and that the organization had already implemented 23 of the audit recommendations, with the remaining recommendations due for implementation by the end of the year. He stated that pledges had been secured to cover the outstanding cost overruns associated with supporting the 2005 elections in Afghanistan. He described plans to undertake a post reclassification exercise to bring post levels into line with those of other United Nations organizations.

59. Delegations praised the progress achieved by the organization since its last report, noting in particular that the organization had received an unqualified external audit opinion from the Board of Auditors, the first such opinion it had received in six years. They applauded financial and operational improvements as well as management responsiveness to recommendations of the Board, and urged the organization to implement all outstanding recommendations. They expressed support for the proposed changes to the governance structure of the organization, asserting that the changes in structure and reporting lines would appropriately vest full responsibility and accountability for the performance of the organization in the Executive Director.

60. One delegation queried whether the proposed changes would require a resolution of the United Nations General Assembly. UNOPS management responded that certain aspects of the proposals might require General Assembly endorsement.

61. After responding to the interventions of delegations, the Executive Director informed the Executive Board that the United Nations Office of Internal Oversight Services had requested a special task force to investigate suspected irregularities in one of the countries supported by the organization.

62. The Executive Board adopted decision 2008/33 on the status report on the implementation of the recommendations of the Board of Auditors for the biennium

2004-2005; decision 2008/34 on procurement activities of the United Nations system organizations; and decision 2008/35 on the governance structure of UNOPS.

## **IX. South-South cooperation**

63. The Director, Special Unit for South-South Cooperation, presented the fourth cooperation framework for South-South cooperation. He pointed out that it had been shaped by Executive Board recommendations to draw on past experiences and focus on measurable results. He noted that it called for a collaborative approach so as to emphasize responsiveness, empower partnerships, ensure results, and enforce transparency and accountability in serving the development needs of Member States. He added that the framework would provide policy and trend analysis on South-South cooperation across the United Nations development system, and leverage existing capacities to avoid duplication and optimize resources.

64. Delegations stressed the importance of South-South cooperation to development. They acknowledged its fundamental role in the evolving global aid architecture, and noted its prominence in the strategic plan, 2008-2011.

65. Many emphasized that South-South cooperation should complement, rather than supplant, North-South cooperation, and encouraged stakeholders to recognize its potential for capacity development and for coordinating progress towards achieving the Millennium Development Goals. Some shared examples of South-South cooperation from their own countries, and encouraged Member States to prioritize South-South and triangular cooperation.

66. Delegations expressed support for the orientation and approach of the fourth cooperation framework and for the efforts of UNDP to establish South-South cooperation as a central pillar of the United Nations development agenda. Some noted in particular that the framework aimed to assist programme countries in maximizing the local impact of South-South cooperation. They reminded UNDP to take into account the recommendations of the most recent evaluation of its contributions to South-South cooperation.

67. Some delegations encouraged UNDP to expand the areas of focus to which South-South cooperation would be applied in its development interventions.

68. The Executive Board adopted decision 2008/36 on the fourth cooperation framework for South-South cooperation.

### **Joint UNDP/UNFPA segment**

## **X. Follow-up to UNAIDS Programme Coordinating Board meeting**

69. The UNDP Deputy Assistant Administrator and Deputy Director, Bureau for Development Policy, and the UNFPA Deputy Executive Director (Programme) made a joint presentation introducing the Report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (DP/2008/54-DP/FPA/2008/13).

70. Delegations appreciated the work of UNFPA and UNDP in coordinating and supporting the United Nations response to the AIDS pandemic through collaboration

within UNAIDS. They applauded the establishment of the joint United Nations teams on AIDS and urged UNDP and UNFPA to support the teams at the country level to institute annual reviews of joint programmes to assess progress and impact. They pointed out that these annual reviews needed to feed into the national review processes and be quality assured by the UNAIDS secretariat and co-sponsors at regional and headquarters levels. Delegations noted that should the upcoming review of the Global Implementation Support Team (GIST) find duplication with UNAIDS, the respective roles and responsibilities should be clarified and rationalized. UNFPA was commended for its able stewardship of GIST, especially for moving the team in a productive direction. Delegations asked about the progress in implementing the gender and AIDS pilots referred to in the report. They expressed strong support for UNFPA and UNDP to increase their efforts on HIV prevention among (a) men who had sex with men; and (b) sex workers.

71. Delegations stated that it was vital for the United Nations system to deliver on HIV and AIDS in close cooperation with the World Bank, under the national leadership of programme countries, as part of the implementation of poverty reduction strategy papers (PRSPs). They inquired about the international division of labour with the Global Fund, particularly with regard to the financing and supply of technical support and health systems strengthening. Delegations supported UNFPA and UNDP efforts to better integrate gender equality and sexual and reproductive health and rights in the Global Fund's guidelines for project proposals. Regarding the unified budget and work plan (UBW), delegations supported extension to a four-year time frame to reduce transaction costs and align with the strategic plans of UNDP and UNFPA. They recalled the United Nations Secretary-General's commitment at the recent AIDS conference in Mexico regarding the United Nations delivering as one on HIV and AIDS and ensuring that HIV and AIDS remained a system-wide priority.

72. The UNFPA Deputy Executive Director (Programme) thanked the delegations for their constructive comments and support. She noted that the organization would take on board the suggestion regarding having annual reviews feed into the national review processes. She stated that an update on progress in follow-up to the Global Task Team review would be provided at the Executive Board annual session in 2009. She assured the Board that the roles of GIST and UNAIDS were harmonized and synergistic. She noted that under the division of labour amongst agencies, UNFPA was the lead agency for sex work and HIV and worked through a rights-based approach. She observed that UNFPA had 120 HIV focal points working in the Fund's country offices. She underscored that UNFPA collaborated with a number of partners, including civil society. Concerning complex and sensitive issues, she added that UNFPA was conducting in-reach training on most-at-risk populations for United Nations staff.

73. The Chief, HIV/AIDS Branch, UNFPA, pointed out that regarding access to technical support GIST had developed a document entitled Principles of Technical Assistance that spelled out the roles, responsibilities and rights of those who provide and receive technical assistance. It also looked at the benefits of North-South and South-South collaboration. Regarding joint teams on HIV/AIDS, he noted that there was a review going on in Southern Africa and South-East Asia. Currently, five countries had been reviewed and in five others the review was under way. In addition, an external review of the UNFPA strategy to reinforce capacity of country and regional offices was being undertaken in collaboration with the UNAIDS secretariat with a view to ensuring programming as one. He added that all Member States would be able to access information on technical assistance on an individual



country-level basis through the UNAIDS website. Currently, data were available on 10 countries and that would increase over the next several months.

74. UNDP senior managers described ongoing efforts to provide guidance on gender-based strategies, noting that more programme countries were requesting partnership support in strengthening capacities on gender. They noted that UNDP was close to finalizing agreements on pilot projects in Southern African, Latin American and Asian countries. They recalled that the UNAIDS family had the means to make programme acceleration funds available to programme countries to encourage catalytic action on gender activities. They acknowledged spousal transmission of HIV/AIDS as an area of renewed focus, and pledged to continue the joint effort to identify good practices.

75. The Executive Board took note of the report ((DP/2008/54-DP/FPA/2008/13).

## **XI. Internal audit and oversight**

76. The UNDP Associate Administrator introduced the UNDP accountability system (accountability framework and oversight policy) (DP/2008/16/Rev.1). The UNFPA Deputy Executive Director (External Relations, United Nations Affairs and Management) introduced the UNFPA oversight policy (DP/FPA/2008/14). The UNOPS Deputy Executive Director introduced the UNOPS accountability framework and oversight policies (DP/2008/55).

77. One delegation, speaking on behalf of the Group of 77 and China, recognized the efforts of the organizations to improve accountability systems and encouraged a deepening of the efforts. Regarding the disclosure of internal audit reports (IARs) the Group stated that such disclosures should be the “extreme exception and not the norm”. Noting that IARs were internal management tools, the Group stated that the Executive Board should be engaged in determining the validity of requests for disclosure and underscored the need for the Board and the concerned programme country to become fully involved in the decision for disclosure. The Group stated that a strong and strict policy must prevent politically motivated selections of IARs for disclosure and should respect confidentiality principles. The Group saw a need for options for the Board if confidentiality was breached. The Group stressed that development assistance should in no way be tied to political conditionality. The Group expressed the hope that the Board would arrive at a consensus.

78. Numerous delegations appreciated the quality and comprehensiveness of the documents. It was stated that the UNDP, UNFPA and UNOPS documents were among the first accountability and oversight policies to be adopted by the United Nations funds and programmes and would set the standard for other organizations across the system. Delegations welcomed the harmonization efforts and regretted the minor differences. They expressed the hope that UNFPA and UNOPS would follow the UNDP proposal to annex the report of the Audit Advisory Committee (AAC) to their respective annual internal audit and oversight reports. They underlined the relevance of a confidentiality pledge and requested the three organizations to annex a common template of such a confidentiality pledge to their respective documents. Noting the large number of accountability-related reports submitted to the Executive Board, delegations called on the organizations to begin a reflection to rationalize, simplify and streamline the reports and their production schedule.

79. Delegations noted that the accountability systems would help the Executive Board provide management with strategic guidance while refraining from micro-management. They emphasized the need to avoid politicization of the process of disclosure and to ensure that disclosure of IARs did not endanger countries. The need for a time frame was underlined. One delegation called for improvements regarding defining confidentiality; clarifying the roles and responsibilities for accountability at the country level; and establishing indicators/results to monitor the implementation and effectiveness of the policies. Some delegations urged an active dialogue and relationship between the AAC and the Executive Board. One delegation stated that the Board should have access to all IARs except those which could affect the due process rights of individuals. The delegation also urged independence for the UNDP Ethics Office and the AAC. Another delegation asked how the AAC could retain its independence if it was elected by the Executive Board and asked to report to the Board.

80. The UNDP Associate Administrator thanked delegations for their interventions and praised the ongoing consultative process. He acknowledged concerns expressed regarding definitions of accountability and oversight, the importance of maintaining open dialogue among Member States, and the need to handle confidential matters with due sensitivity. He spoke of ongoing efforts to harmonize UNDP policies with those of other United Nations organizations and expressed support for the proposal that the AAC should report directly to the Executive Board. He drew a distinction between consulting the Executive Board in appointing the Director of the Evaluation Office, which performs a role that directly impacts the effectiveness of Board oversight functions, and the process for appointing the Director of the independent Office of Audit and Investigations. He invited delegates to reflect on the best indicators needed to regularly review the effectiveness of both offices.

81. The UNFPA Deputy Executive Director (External Relations, United Nations Affairs and Management) thanked the delegations for their supportive comments and guidance and for recognizing the diligent efforts of the three organizations. Regarding the query about accountability at the country level, she assured Executive Board members that UNFPA had all the necessary systems in place to ensure accountability, including policies, the internal control framework, business procedures and guidelines. Furthermore, accountability was ensured through internal and external audits, the balanced scorecard, office management plans and the performance appraisal and development system. She underscored that all the systems were being further strengthened under the decentralized structure that UNFPA was putting in place. She appreciated the Executive Board's request to simplify and streamline the reporting to the Board and stated that UNFPA would reflect and revert to the Board on the matter. She concluded by thanking UNFPA staff for the time and energy invested in preparing the policy document for the Board. She also thanked UNDP and UNOPS colleagues for their collaboration in harmonizing key concepts and definitions pertaining to accountability and oversight.

82. The Executive Board adopted decision 2008/37: Internal audit and oversight (UNDP, UNFPA and UNOPS).

83. Following the adoption of the decision a number of delegations took the floor noting that arriving at a consensus on the draft decision had been challenging. It was underscored that the greatest caution and discretion should be exercised in implementing the decision and disclosure of internal audit reports should not be politicized, nor should pressure regarding funding be applied to obtain disclosure. Delegations were pleased that agreement had been reached on internal audit and

oversight and noted that it would help establish an accountable and transparent management system for UNDP, UNFPA and UNOPS. One delegation asked that a process to avoid conflicts of interest in the appointment of key personnel in the three internal oversight offices be developed and shared with the Executive Board. Delegations thanked the facilitator (the delegate from Sweden) for his strong efforts in facilitating the decision.

## **XII. Other matters**

### *UNDP*

84. The President of the Executive Board chaired an informal consultation on the Democratic People's Republic of Korea. He invited statements by the Associate Administrator and by the Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, UNDP.

85. The Regional Director presented a proposed 'road map' for the possible resumption of UNDP activities in the Democratic People's Republic of Korea, bearing in mind the decision taken at the first regular session 2007. He detailed a proposed five-step process to be completed by early 2009, including: first, dialogue with Member States on the best way forward; second, technical discussions with the Democratic People's Republic of Korea on human resources, finance and programmatic issues, which would build on preliminary discussions on the recommendations emerging from the independent investigative review (the Nemeth report), as well as the report of the external Board of Auditors and relevant Board decisions; third, the dispatch of a technical team to Pyongyang, following Board endorsement of the road map, to reach agreement on the modalities and content of the UNDP programme; fourth, following the successful completion of detailed discussions, submission to the Board for approval of a package of measures and a country programme to facilitate resumption of UNDP activities; and fifth, subject to approval by the Board, mobilization and recruitment of staff and establishment of physical facilities to initiate programme activities.

86. Many delegations expressed support for the resumption of UNDP activities as proposed. Some suggested that three extensive reviews had failed to confirm the initial allegations of wrongdoing, and one delegation asserted that the cessation of activities without the approval of the Executive Board had been inappropriate. While acknowledging that the reviews had revealed grounds for improvement in accountability and oversight throughout the organization, several delegations urged the Board to weigh the human development needs of the local population against the severity of those shortcomings. Most recognized the proposed road map as a viable means of moving from discussion to action, while others expressed support for further consultations on implementation of the 'road map'.

87. Delegations encouraged UNDP to heed the findings and recommendations that had emerged from the investigations, as well as the decision taken at the first regular session 2007. Many urged the Board to bring the matter to a prompt resolution.

88. One delegation put forth a list of procedural questions regarding the overall management of the process of suspending, discussing and possibly resuming activities in the Democratic People's Republic of Korea.

89. The President recommended that UNDP proceed with the agreed 'road map'. The Board approved the inclusion of the Democratic People's Republic of Korea

under the country programmes agenda item in the tentative work plan for the first regular session 2009.

*Conclusion of the session*

90. The Executive Board adopted the tentative work plan for the first regular session 2009.

91. In his concluding remarks, the President, on behalf of the Executive Board, noted with appreciation the decision of the Secretary-General to extend the tenure of the Executive Director of UNFPA by two years following consultations between the President and the Secretary-General.

## Annex I

### Decisions adopted by the Executive Board during 2008

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**2008/1****UNDP biennial support budget, 2008-2009, including additional security measures for UNDP personnel and premises***The Executive Board*

1. *Takes note of* the functions, management results, indicators and resource requirements in the budget estimates for the biennium 2008-2009, as contained document DP/2008/3;
2. *Also takes note of* the finding of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that there is room for further improvement on presenting information on the link with specific programmes of work or activities, which should allow assessment of the cost effectiveness and degree of achievement of expected results;
3. *Approves* gross regular resources in the amount of \$853.6 million, as presented in document DP/2008/3, subject to the provisions of the present decision;
4. *Requests* the Administrator to ensure that the biennial support budget is consistent with the UNDP strategic plan, 2008-2011, and its annexes, as augmented and amended in accordance with decision 2007/32 and in accordance with the 2007 triennial comprehensive policy review, and to submit a report to the Executive Board at its second regular session, 2008;
5. *Takes note of* the concerns expressed by the ACABQ on the tendency for upward reclassification (DP/2008/5), and *requests* UNDP to exercise the utmost restraint in implementing its proposal for upward reclassifications, with clear justifications in line with International Civil Service Commission standards;
6. *Also requests* the Administrator to include in future budget submissions an annex on budget estimates by cost category for major objects of expenditure, with information on cost efficiencies achieved against targets and indicators therein, and to report on the estimates and efficiency targets in the annual financial reporting;
7. *Decides* that future biennial support budgets should, as much as possible, aim at progressive decrease as a proportion of resources, *urges* UNDP to continue to exercise scrutiny of management costs so as to ensure an even higher allocation of funds for programmes, and *further urges* UNDP to increase its efforts to bring greater efficiency to its operations;
8. *Recalls* the request to the Administrator, in decisions 2007/18 and 2007/33, to submit to the Executive Board, at its first regular session 2009, a report with proposals for realigning cost classification of activities funded from the programme financial framework and the biennial support budget, in the context of the preparation of the biennial support budget, 2010-2011, and in this regard *encourages* the Administrator to intensify consultations with other United Nations funds and programmes in order to harmonize, to the extent possible, the attribution of costs between the programme and support budgets;
9. *Requests* the Administrator to include in the report on cost classification, at the first regular session 2009, information on the concept and methodology determining the minimum base structure, as well as a description of that structure;
10. *Reaffirms* decision 2007/18 on UNDP cost recovery, and *requests* the Administrator to realign the funding modality of UNDP management activities to ensure that cost-recovery income bears the support cost associated with all 'other resources'-funded

activities within the next biennium, in order to implement decisions 2003/22 and 2005/33;

11. *Requests* the Administrator, in close cooperation with other United Nations funds and programmes, to continue to harmonize the methodology of results-based budgeting and to improve targets and indicators, taking into account the views expressed by Member States;

12. *Also requests* information on steps and progress made with respect to the requests made in paragraphs 8, 9, 10 and 11, above, at the second regular session 2008;

13. *Approves* the maximum expenditure of \$9 million from regular resources to cover the costs of introducing the International Public Sector Accounting Standards by the end of 2009;

14. *Requests* the Administrator to include information on support requirements related to all sources of funding in future biennial support budgets, in accordance with paragraph 12 of the ACABQ recommendations (DP/2008/5);

15. *Requests* the Administrator to present the biennial support budget, 2010-2011, for the approval of the Executive Board, at the second regular session 2009;

16. *Takes note of* the consolidated summary of UNDP funding requirements for security activities;\*

17. In that regard, *approves* the net amount of \$51.2 million as a separate requirement from regular resources to cover security measures mandated by the United Nations;

18. *Endorses* the proposal of the Administrator to grant him exceptional authority, during 2008-2009, to access up to an additional 20 per cent (\$10.2 million) of the \$51.2 million proposed net regular resources earmarked for security measures, mandated by the United Nations. UNDP will limit the use of those funds to new and emerging security mandates, as defined in the United Nations Department of Safety and Security directives, and will report to the Executive Board on the use of those funds in its annual review of the financial situation.

24 January 2008

## 2008/2

### UNIFEM biennial support budget, 2008-2009, and resources mobilization framework

#### *The Executive Board*

1. *Takes note of* the functions, management results, indicators and resource requirements in the budget estimates for the biennium 2008-2009, as contained in document DP/2008/4;

2. *Also takes note of* the comments and recommendations of the Advisory Committee on Administrative and Budgetary Questions;

3. *Approves* the gross appropriations in the amount of \$23,044,000, as indicated in table 2 of the report, to be utilized for the purposes indicated in the report;

4. *Requests* UNIFEM to include in future budget submissions an annex on budget estimates by cost category for major objects of expenditure, with information on cost

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\* As outlined in document DP/2008/CRP.2.



efficiency achieved against targets and indicators therein, and to report against the estimates and efficiency targets in the annual financial reporting;

5. *Decides* that future biennial support budgets should, as much as possible, aim at progressive decrease as a proportion of overall resources, *urges* UNIFEM to continue to exercise scrutiny of management costs so as to ensure an even higher allocation of funds for programmes, and *further urges* UNIFEM to increase its efforts to bring greater efficiency to its operations;

6. *Requests* the Executive Director of UNIFEM, in close co-operation with the other United Nations Funds and Programmes, to continue to harmonize and improve the methodology of results-based budgeting, and *requests* a briefing on the steps taken and progress achieved on budget-related issues at the second regular session 2008, including issues related to indicators, targets and the cost classification of items in the results based budgets;

7. *Requests* the Administrator, UNDP, to present the 2010-2011 biennial support budget for Executive Board approval at the second regular session 2009;

8. *Welcomes* the UNIFEM response to decision 2007/35 requesting information relating to the resource mobilization framework, and *encourages* UNIFEM to expand its financial resource base by strengthening partnerships with all its stakeholders, and to diversify and deepen its donor base;

9. *Reiterates*, in this regard, that regular resources continue to be the bedrock of UNIFEM and are essential to maintaining the multilateral, neutral and universal nature of its work, and *calls upon* donor countries, and all other countries in a position to do so, to increase their contributions to the regular resources of UNIFEM, including through multi-year pledges.

24 January 2008

## **2008/3**

### **UNIFEM cost-recovery policy**

#### *The Executive Board*

1. *Takes note of* the report of the Administrator on the cost recovery policy of the United Nations Development Fund for Women as contained in document DP/2008/11;

2. *Reiterates* the need for UNIFEM to continue monitoring efforts to ensure that functions linked to the management of other resources are adequately funded without undue subsidization by regular resources;

3. *Urges* UNIFEM to harmonize its cost recovery policy with United Nations organizations for multi-donor trust funds, joint programmes and joint offices, recognizing that the adoption of these principles by United Nations organizations constitutes a step towards increased transparency and comparability of cost recovery throughout the United Nations system;

4. *Notes* the proposal in the cost-recovery policy to retain flexibility, on a case-by-case basis, and *requests* UNIFEM to report to the Executive Board at its annual session 2008, on the criteria and procedures for granting exceptions from the flat rate;

5. *Requests* the management of UNIFEM to report, at the annual session 2008, on the implementation of the cost-recovery policy, including details of fixed and variable

indirect costs and the impact of the applied rates on regular and other resources, and to report on the use and allocation of indirect costs recovered.

24 January 2008

#### **2008/4**

##### **UNCDF partnership framework with UNDP, programming and funding arrangements, and cost-recovery policy**

###### *The Executive Board*

1. *Takes note of* the report on the UNCDF partnership framework with UNDP, programming and funding arrangements, and cost-recovery policy (DP/2008/12);
2. *Notes with satisfaction* the progress made in finalizing the details of the strategic partnership between UNDP and UNCDF, particularly with respect to: (a) integrating the UNCDF contribution into the UNDP strategic plan, 2008-2011; and (b) achieving the strategic and operational objectives of the partnership, as outlined in document DP/2007/11;
3. *Requests* UNDP and UNCDF to report to the Executive Board at the annual session 2009 on progress made in implementing their strategic partnership;
4. *Takes note of* the proposed UNCDF programming and funding arrangements, 2008-2011, and reiterates its call to donor countries, and other countries in a position to do so, to provide and sustain additional funding support for UNCDF programmes and activities in the least developed countries in order to enable UNCDF to implement its 2008-2011 Investment Plan;
5. *Decides* that the UNCDF cost-recovery policy will entail a recovery rate of 7 per cent for recovery of indirect support costs for new third party contributions and a basic 3 per cent recovery rate of indirect support costs for all new programme country contributions;
6. *Requests* the UNCDF management to report on the implementation of the cost-recovery policy, including the impact of the applied rates on regular and other resources, as well as the use and allocation of indirect costs recovered, for consideration at the annual session 2008.

24 January 2008

#### **2008/5**

##### **UNOPS biennial planning and budget framework**

###### *The Executive Board*

1. *Takes note of* the biennial planning and budget framework of UNOPS (DP/2008/13), and of the strategic performance objectives, measures, targets, and associated resource requirements;
2. *Approves* the budget contained therein;
3. *Recalls* the recommendations of the Board of Auditors on the matter of the interfund balance, and *requests* UNOPS and UNDP to finalize settlement as a matter of priority for the 2006-2007 closure,
4. *Also recalls* the shortfall issue mentioned in paragraph 13 of the ACABQ report dated 19 December 2007, and calls upon UNOPS and UNDP, in conjunction with relevant partners, to accelerate the resolution of this issue;

5. *Requests* the Executive Director of UNOPS to continue efforts to harmonize its budget format with the biennial support budgets of other United Nations funds and programmes, while taking into consideration the specifics of UNOPS, and to contribute to improving the methodology of results-based budgeting, including targets and indicators;
6. *Requests* the Executive Director of UNOPS to present the biennial support budget, 2010-2011, for the approval of the Executive Board, at the second regular session 2009;
7. *Requests* the Executive Director of UNOPS to submit its accountability framework and oversight policy for consideration and approval by the Executive Board at its annual session 2008.

24 January 2008

## **2008/6**

### **Estimates for the UNFPA biennial support budget, 2008-2009**

#### *The Executive Board*

1. *Takes note of* the functions, management outputs, indicators and resource requirements in the estimates for the UNFPA biennial support budget, 2008-2009, as contained in document DP/FPA/2008/1;
2. *Approves* gross resources in the amount of \$259.8 million, representing the total biennial support budget, 2008-2009, and *notes* that after offsetting the indirect cost recovery amount of \$24 million, the estimated net resources total \$235.8 million;
3. *Decides* that the appropriated amount should be used to achieve the management outputs as specified in the 16 functions presented in document DP/FPA/2008/1;
4. *Also requests* the Executive Director to include, in future budget submissions, an annex on budget estimates by cost category for major objects of expenditure, with information on cost efficiencies achieved against targets and indicators therein, and to report on the estimates and efficiency targets in the annual financial review;
5. *Decides* that future biennial support budgets should, as much as possible, aim at progressive decrease as a proportion of overall resources, *urges* UNFPA to continue to exercise scrutiny of management costs so as to ensure an even higher allocation of funds for programmes, and *further urges* UNFPA to increase its efforts to bring greater efficiency to its operations;
6. *Requests* the Executive Director of UNFPA, in close cooperation with other United Nations funds and programmes, to continue to harmonize and improve the methodology of results-based budgeting, and requests a briefing, at the second regular session 2008, on steps taken and progress achieved on budget-related issues, including issues related to indicators, targets and cost classifications of items in the results-based budgets;
7. *Authorizes* additional funding expenditures of \$6 million from regular resources to further implement the Enterprise Resource Planning (Atlas) project, including the implementation of international public sector accounting standards;
8. *Also authorizes* additional funding expenditures of \$2.4 million from regular resources to replenish the security reserve;

9. *Further authorizes* that \$28.4 million be used for the one-time costs of the new UNFPA organizational structure, and *urges* UNFPA to replenish its operational reserve to the mandated level by 2010, at the latest;

10. *Takes note of* the additional requirement of \$5 million for funding the UNFPA security reserve;<sup>1</sup>

11. *Authorizes* a further expenditure of \$5 million from regular resources to replenish the security reserve, in addition to the \$2.4 million requested in the estimates for the biennial support budget for 2008-2009 (DP/FPA/2008/1);

12. *Endorses* the proposal of the Executive Director to grant her exceptional authority, during 2008-2009, to access up to an additional 20 per cent (\$2.2 million) of the proposed security reserve expenditure requirement of \$11.1 million. UNFPA will limit the use of those funds to new and emerging security mandates as defined by United Nations Department of Safety and Security directives, and will report on the use of the funds in the annual financial review to the Executive Board;

13. *Recognizes* that the field operations of UNFPA have evolved since the adoption of decision 1995/35, and *decides* that UNFPA should continue to use the current International Civil Service Commission standards to classify or reclassify international staff positions, and *further requests* UNFPA to exercise restraint when considering the upward classification of staff positions;

14. *Requests* the Executive Director to present the estimates for the biennial support budget for 2010-2011 for approval by the Executive Board at its second regular session 2009.

24 January 2008

**2008/7**

**(a) Joint report of UNDP and of UNFPA to the Economic and Social Council**

*The Executive Board*

1. *Takes note of* the report of the Administrator of UNDP and the Executive Director of UNFPA to the Economic and Social Council (E/2008/5);
2. *Decides* to transmit the above-mentioned report to the Economic and Social Council, along with the comments and guidance provided by delegations at the present session;
3. *Requests* UNDP and UNFPA to include in future reports a more qualitative assessment and analysis of results achieved, progress made and difficulties encountered, as well as lessons learned.

**(b) Recommendation regarding the appointment of the Executive Director of UNFPA**

*The Executive Board,*

Recalling General Assembly resolution 2211(XXI) of 17 December 1966, in response to which a trust fund, subsequently renamed the United Nations Population Fund (UNFPA), was established by the Secretary-General in 1967,

Also recalling General Assembly resolution 3019 (XXVII) of 18 December 1972, by which the Assembly placed UNFPA under its authority, as a subsidiary organ in

<sup>1</sup> As outlined in document DP/FPA/2008/CRP.1.

accordance with article 22 of the Charter of the United Nations, taking into account the separate identity of UNFPA,

1. *Notes* that no formal provision was made for the appointment of the Executive Director of UNFPA upon the cessation of the administrative role of the Administrator of UNDP with respect to UNFPA;
2. *Emphasizes* the importance of harmonizing formal appointment procedures for the funds and programmes of the United Nations;
3. *Invites* the Economic and Social Council to recommend to the General Assembly, accordingly, that the appointment of the Executive Director of UNFPA be regularized and that the Secretary-General of the United Nations appoint the Executive Director of UNFPA for a four-year term, beginning on 1 January, after consultation with the Executive Board.

24 January 2008

## 2008/8

### Overview of decisions adopted by the Executive Board at its first regular session 2008

#### *The Executive Board*

*Recalls* that during its first regular session 2008, it:

#### **Item 1**

Elected the following members of the Bureau for 2008:

President:	H.E. Mr. Jean-Marie Ehouzou (Benin)
Vice-President	Mr. Mahmudul Karim (Bangladesh)
Vice-President	Mr. Gustavo Endara (Ecuador)
Vice-President	H.E. Mr. Peter Burian (Slovakia)
Vice-President	Mr. Thomas Gass (Switzerland)

Adopted the agenda and work plan for its first regular session 2008 (DP/2008/L.1);

Adopted the report of the second regular session 2007 (DP/2008/1) and its corrigendum (DP/2008/1/Corr.1);

Adopted the annual work plan for 2008 (DP/2008/CRP.1);

Approved the tentative work plan for the annual session 2008;

Agreed to the following schedule for the remaining sessions of the Executive Board in 2008:

Annual session 2008:	16 to 27 June 2008
Second regular session 2008:	8 to 12 September 2008

## **UNDP segment**

#### **Item 2**

#### **Financial, budgetary and administrative matters**

Adopted decision 2008/1 on the UNDP biennial support budget, 2008-2009, including additional security measures for UNDP personnel and premises;

Adopted decision 2008/2 on the UNIFEM biennial support budget, 2008-2009, and resources mobilization framework;

**Item 3**

**Country programmes and related matters**

Approved the following country programme documents:

Africa: Regional programme, Comoros, Democratic Republic of the Congo, Equatorial Guinea, Liberia, Madagascar, Rwanda and Togo;

Arab States: Kuwait and Somalia;

Asia and the Pacific: Regional programme, multi-country programmes for Fiji and Samoa, and Nepal;

Latin America and the Caribbean: Regional programme, Colombia, Costa Rica, Mexico, and Nicaragua;

**Item 4**

**Evaluation**

Took note of the following reports:

Evaluation of results-based management in UNDP (DP/2008/6);

Management response to the evaluation of results-based management in UNDP (DP/2008/7);

Evaluation of the UNDP contribution to South-South cooperation (DP/2008/8);

Management response to the evaluation of the UNDP contribution to South-South cooperation (DP/2008/9);

**Item 5**

**South-South cooperation**

Approved the extension of the third cooperation framework for South-South cooperation (DP/2008/10);

**Item 6**

**United Nations Development Fund for Women**

Adopted decision 2008/3 on the UNIFEM cost-recovery policy;

**Item 7**

**United Nations Capital Development Fund**

Adopted decision 2008/4 on the UNCDF partnership framework with UNDP, programming and funding arrangements, and cost-recovery policy;

**Item 8**

**United Nations Office for Project Services**

Adopted decision 2008/5 on the UNOPS biennial planning and budget framework;

**Joint UNDP/UNFPA segment**

**Item 9**

**Recommendations of the Board of Auditors**

Took note of the UNDP report on the implementation of the recommendations of the Board of Auditors, 2004-2005 (DP/2008/15);

Took note of the UNFPA report on follow-up to the report of the United Nations Board of Auditors for 2004-2005: status of implementation of recommendations (DP/FPA/2008/3);

**Item 10****Internal audit and oversight**

Adopted an oral decision on the reports on the UNDP accountability system and the UNFPA oversight policy, as follows: “Having considered the reports (DP/2008/16) and (DP/FPA/2008/4) and the efforts of UNDP and UNFPA to improve accountability and oversight, the Executive Board requests the administrator of UNDP and the Executive Director of UNFPA to revert on this matter to the Executive Board at its second regular session 2008, after extensive consultations with the Executive Board to review these documents, taking into account the concerns of Member States”.

**Item 11****Report to the Economic and Social Council**

Adopted decision 2008/7 on the joint report of UNDP and UNFPA to the Economic and Social Council and on the recommendation regarding the appointment of the Executive Director of UNFPA;

**UNFPA segment****Item 12****Financial, budgetary and administrative matters**

Adopted decision 2008/6 on the estimates for the UNFPA biennial support budget, 2008-2009;

**Item 13****Country programmes and related matters**

Approved the following country programme documents:

Africa: Democratic Republic of the Congo, Equatorial Guinea, Lesotho, Liberia, Madagascar, Rwanda and Togo;

Arab States, Europe and Central Asia: Somalia;

Asia and the Pacific: Nepal and the Pacific Island countries;

Latin America and the Caribbean: Colombia, Costa Rica, Mexico and Nicaragua;

**Item 14****Programming arrangements**

Took note of the report on TRAC-2 allocation, methodology and criteria for establishing fixed lines in the programming arrangements;

**Joint meeting**

Held a joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP on 25 and 28 January 2008, which addressed the following topics: (a) progress towards achieving the Millennium Development Goals; (b) feedback from ‘delivering as one’; and (c) disaster risk reduction strategies.

*24 January 2008*

**2008/9**

**Report of the UNFPA Executive Director for 2007, including the statistical and financial review**

*The Executive Board*

1. *Takes note of* the documents that make up the report of the UNFPA Executive Director for 2007 (DP/FPA/2008/5 (Part I), DP/FPA/2008/5 (Part I, Add.1) and DP/2008/23/Add.1-DP/FPA/2008/5 (Part II));
2. *Also takes note of* the progress made in aligning UNFPA programming to the UNFPA strategic plan, 2008-2011, in response to the national priorities of programme countries;
3. *Recognizes* the significance of increasing contributions and achieving stability and predictability in contributions to UNFPA regular resources, which are the bedrock of UNFPA operations;
4. *Recognizes* that timeliness in the payment of contributions is essential to maintaining liquidity and to facilitating continuous programme implementation in assisting countries in achieving the goals of the International Conference on Population and Development and the Millennium Development Goals;
5. *Takes note of* progress with regard to results-based management and *urges* UNFPA to continue to improve results-based management indicators and baselines.

20 June 2008

**2008/10**

**Funding commitments to UNFPA**

*The Executive Board*

1. *Takes note of* the report on funding commitments to UNFPA (DP/FPA/2008/9), *welcomes* the substantial increase in the 2007 regular income level of UNFPA and the increase in the 2007 co-financing income, and *also welcomes* the contributions made by programme countries;
2. *Emphasizes* that regular resources are the bedrock of UNFPA and essential to maintaining the multilateral, neutral and universal nature of its work, and *encourages* UNFPA to further mobilize these resources while also continuing to mobilize supplementary resources for its thematic funds and programmes;
3. *Recognizes* that sustaining and improving the UNFPA funding level will require countries that are in a position to do so to increase their contributions during the period of the UNFPA strategic plan, 2008-2011;
4. *Encourages* all countries in a position to do so to make contributions early in the year and to make multi-year pledges;
5. *Emphasizes* that UNFPA needs strong political support and increased financial support, in particular increased and predictable core funding, in order to enhance its assistance to countries to enable them to fully integrate the agenda of the International Conference on Population and Development into national development strategies and frameworks.

20 June 2008



**2008/11**  
**UNFPA and UNDP draft country programme documents**

*The Executive Board*

1. *Recalls* its decision 2006/9 on cost-efficient approaches to providing programme-level data;
2. *Commends* UNFPA for providing this information in connection with the review and approval process for the new country programme cycle;
3. *Takes note of* the highlights of UNDP country programme results and lessons learned, and *encourages* UNDP to continue to improve the quality of the content of this submission, including by using a format similar to the UNFPA country programme performance summary as well as appropriate evaluative information;
4. *Also recalls* its decision 2006/36 on the review of the country programme approval process and *requests* UNDP and UNFPA to provide a short explanation of the reasons for the deferment of draft country programme documents from the annual session to the second regular session;
5. *Urges* UNFPA and UNDP to increase their efforts to present draft country programme documents for discussion at the annual session of the Executive Board, as per decision 2006/36.

25 June 2008

**2008/12**  
**Evaluation in UNFPA**

*The Executive Board*

1. *Takes note of* the periodic report on evaluation (DP/FPA/2008/10);
2. *Welcomes* the steps taken and planned by UNFPA to strengthen evaluation at all levels of the organization by developing an evidence-informed methodology to improve programming and by systematically engaging national stakeholders;
3. *Notes with concern* the decline in the quality of evaluations and *requests* UNFPA to further improve the quality of its evaluations by, inter alia, enhancing the quality of programme design and outcome assessments, increasing the use of evaluation results to improve programming and analysing the UNFPA contribution to development results;
4. *Notes* the UNFPA concern about the low rate of reported follow-up to country programme evaluations, and *urges* UNFPA to improve follow-up to such evaluations;
5. *Requests* the Executive Director of UNFPA to submit periodic reports on evaluation in relation to the outcomes of the UNFPA strategic plan, 2008-2011, including lessons learned, impact on programmes, difficulties encountered and progress made, and the performance of the evaluation function;
6. *Further requests* the Executive Director of UNFPA to submit a report to the Executive Board at its annual session 2009 on a comprehensive evaluation policy consistent with General Assembly resolution 62/208 and international best practices. In this regard, the Board *further requests* the Executive Director to keep the Board informed of the development of the evaluation policy, including through consultation with the Board at its first regular session 2009;

7. *Underlines* the importance of increasing the participation of national counterparts and strengthening national capacity in the evaluation and follow-up of UNFPA country programmes, *encourages* UNFPA to use national evaluation systems where available and to continue to incorporate capacity-building mechanisms into programme design and implementation, and *welcomes* progress attained in this regard;

8. *Notes* the endorsement in 2005 of the norms and standards for evaluation by the United Nations system through the United Nations Evaluation Group, constituting a contribution to strengthening evaluation as a United Nations system function;

9. *Emphasizes* the importance of the independence and impartiality of the evaluation function within the United Nations system.

20 June 2008

### **2008/13**

#### **Internal audit and oversight (UNDP, UNFPA and UNOPS)**

##### *The Executive Board*

1. *Takes note of:* (a) the report on internal audit and investigations in UNDP (DP/2008/20); (b) the report on UNFPA internal audit and oversight activities in 2007 (DP/FPA/2008/11); and (c) the report of the United Nations Office for Project Services (UNOPS) on internal audit and oversight in 2007 (DP/2008/21);

2. *Welcomes* the focus on key and recurrent management issues, the clarity and format of the recommendations, and the risk-based audit planning in the internal audit reports;

3. *Recalls* decision 2006/19, and *requests* UNDP, UNFPA and UNOPS to include in their respective audit and oversight reports: (a) a list of the key findings and the ratings, (b) a table displaying unresolved audit recommendations by year and category, and (c) an explanation of findings that have remained unresolved for 18 months or more;

4. *Calls upon* UNDP and UNFPA to further strengthen the national execution modality by addressing the operational risks and weaknesses identified in the audit reports, with particular attention given to capacity-building, and *requests* UNDP and UNFPA to inform the Executive Board of the implementation of the proposed actions;

5. *Recalls* General Assembly resolution 62/208, which calls upon United Nations organizations to adopt measures that ensure sustainability in capacity-building activities, and to use, to the fullest extent possible, national execution and available national expertise and technologies as the norm in implementing operational activities by focusing on national structures and by avoiding, wherever possible, the practice of establishing parallel implementation units outside national and local institutions, and to continue to strengthen national execution, bearing in mind the importance of building national capacity and simplifying procedures and aligning them with national procedures, and in this regard *requests* UNDP and UNFPA to report to the Executive Board on actions and experiences in strengthening national execution;

6. *Requests* UNDP and UNFPA to report to the Executive Board at its annual session 2009 on progress made and lessons learned in implementing the harmonized approach to cash transfers, including in connection with the development of procedures, capacity-building and reporting mechanisms;

7. *Notes with appreciation* the harmonized and standardized use of audit ratings by UNDP, UNFPA, UNOPS, the United Nations Children's Fund and the United Nations World Food Programme;

8. *Notes with concern* that the inter-fund balance and other outstanding issues between UNDP and UNOPS, referred to in decision 2007/27, have not yet been resolved, and *requests* UNDP and UNOPS to work with relevant partners to rapidly resolve these issues;

*With regard to UNFPA,*

9. *Notes with appreciation* the management response to the UNFPA report on internal audit and oversight activities in 2007, the report of the Audit Advisory Committee for 2007, and the updated status of the audit recommendations of the United Nations Board of Auditors on UNFPA accounts for the period ending 31 December 2005;

10. *Requests* that future annual reports on internal audit and oversight activities provide additional explanations of the significant audit results and their causes, identify the systemic issues of concern and provide more information on quality improvements in the oversight systems of UNFPA;

11. *Expresses support* for UNFPA implementation of the national execution modality in line with General Assembly resolution 62/208, and *encourages* strengthening national capacity in this regard;

12. *Expresses support* for the continued strengthening of the accountability and assurance process in UNFPA and the reorganization of its internal audit and oversight services, to sustain, inter alia, an adequate frequency and coverage of internal audits, and *urges* the Executive Director to continue to strengthen risk-based audit planning and to fill vacant posts in the Division for Oversight Services;

13. *Takes note* of efforts to implement the risk model in its regional and country offices and *encourages* UNFPA to further implement it at all management levels and across a broad range of risks;

14. *Notes with appreciation* the development of an enterprise risk management approach, and, in this regard, *calls upon* UNFPA to update the Executive Board on its progress at the annual session 2009;

15. *Welcomes* the commitment of UNFPA to improving its internal control framework, in line with internationally recognized best practices;

16. *Requests* the Executive Director to take the necessary measures to ensure compliance with the internal control framework, in response to the findings of the UNFPA report on internal audit and oversight activities in 2007;

*With regard to UNDP,*

17. *Notes with appreciation* the management response to the report on internal audit and investigations in UNDP, the report of the Audit Advisory Committee for 2007, and the management response to that report;

18. *Expresses continuing support* for strengthening the internal audit and investigation functions of UNDP, and *urges* the Administrator to further strengthen risk-based audit planning and to rapidly fill vacant posts in the Office of Audit and Investigations;

19. *Expresses concern* that 13 per cent of the ratings in the internal audit reports are 'unsatisfactory', that some audit findings have remained unresolved for 18 months, and that there are investigation findings on the misconduct of staff members, and *requests* UNDP to report to the Executive Board at its annual session 2009 on the progress made in these areas, as part of the annual report on internal audit and investigations;

20. *Notes* the efforts of UNDP senior management to strengthen programmatic accountability and enhance the internal capacity of the organization to address compliance issues regarding prescribed regulations, rules and procedures, and supervision by managers at country office and regional levels, and *encourages* UNDP to continue to include in future reports a review of progress in this regard;

21. *Notes* improvements in the timeliness and quality, as well as the overall outcome, of national execution audit reports;

22. *Notes* that specific audit procedures and guidelines are being developed in response to the use of the harmonized approach to cash transfers, and *calls upon* UNDP to develop such procedures and guidelines in coordination with other United Nations funds, programmes and agencies and in consultation with programme countries;

*With regard to UNOPS,*

23. *Notes with appreciation* the management response to the UNOPS report on internal audit and oversight in 2007;

24. *Welcomes* the establishment in 2007 of the Internal Audit Office in UNOPS and the transition from the UNDP Office of Audit and Performance Review to the UNOPS Internal Audit Office;

25. *Also welcomes* the establishment of the Strategy and Audit Advisory Committee in UNOPS;

26. *Notes* the other initiatives in UNOPS that will strengthen audit and oversight, undertaken in response to the UNOPS report on internal audit and oversight;

27. *Notes* the submission by UNOPS of an accountability framework and oversight policy (DP/2008/22), and *requests* the Executive Director of UNOPS to revert to the Executive Board with this policy at the second regular session 2008, ensuring coordination and harmonization with UNDP and UNFPA.

26 June 2008

## **2008/14**

### **Annual report of the Administrator**

#### *The Executive Board*

1. *Takes note* of the multi-year funding framework (MYFF) report on UNDP performance and results for 2007, (DP/2008/23), (DP/2008/23Corr.1) and the statistical annex (DP/2008/23/Add.2);

2. *Notes with concern* that the report presents data which shows that poverty eradication practice area did not receive top priority in terms of the percentage of total spending during 2007, and *emphasizes* that appropriate activities should be used to support direct poverty reduction initiatives;

3. *Urges* UNDP to undertake relevant poverty reduction activities, bearing in mind General Assembly resolution 62/208 on the triennial comprehensive policy review and to give top priority to achieving Millennium Development Goals and reducing human poverty;
4. *Reaffirms* the commitment of UNDP to results-based management and programming;
5. *Requests* UNDP to continue to include, in future reports, analytical information about strategic results, including programme and project results, as well as explanations of significant deviations from expected results;
6. *Also requests* UNDP to include in future reports, starting at the annual session of 2009, a comprehensive comparative analysis of spending for United Nations system coordination and programming;
7. *Takes note* of the report on the recommendations of the Joint Inspection Unit in 2007, and *urges* UNDP to continue to pay particular attention to the recommendations relating to Human Resource management;
8. *Notes with concern* that 'earmarked' resources have continued to far exceed the regular resources of UNDP, and that this affects the ability of UNDP to fulfil its mandate adequately and to effectively support the development agenda of partner countries;
9. *Requests* UNDP to allocate sufficient levels of resources, both financial and staff, across the practice areas of the strategic plan, 2008-2011, with particular attention to least developed countries, in the context of achieving the Millennium Development Goals, and to report in this regard at the annual session 2009;
10. *Urges* UNDP to give enhanced and appropriate priority to direct poverty reduction results while implementing the strategic plan, 2008-2011;
11. *Also requests* UNDP to submit a distribution of total expenditure by practice area and a distribution of regular resources expenditure by practice area at the annual session 2009 of the Executive Board;
12. *Further requests* UNDP to highlight, for each region, per capita programme expenditure and programme expenditure figures for the least developed countries in future reports.

27 June 2008

## **2008/15**

### **Revised UNDP strategic plan, 2008-2011**

#### *The Executive Board*

1. *Recalls* its decision 2007/32, particularly paragraphs 2 and 3;
2. *Takes note of* the revisions to the UNDP strategic plan, 2008-2011, contained in document DP/2007/43/Rev.1 and its annexes.

26 June 2008

**2008/16****Status of regular funding commitments to UNDP and its associated funds and programmes for 2008 and onward***The Executive Board*

1. *Takes note of* the report on the status of regular funding commitments to UNDP and its associated funds and programmes for 2008 and onward (DP/2008/24);
2. *Notes* that after exceeding the annual targets for 2004 and 2005, but missing the annual target for 2006, UNDP has been able to meet the fourth and overall (2007) annual funding target of its second multi-year funding framework (2004-2007);
3. *Underscores* the vital importance of maintaining the 2007 level of regular resources in 2008, so as to enable UNDP to meet the first annual funding target outlined in the integrated resources framework of the strategic plan, 2008-2011;
4. *Recalls* General Assembly resolution 62/208 on the Triennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System, *reiterates* that regular resources form the bedrock of UNDP finances, and *requests* all countries that have not yet done so to provide contributions to regular resources for 2008;
5. *Recognizes* that strengthening the role and capacity of UNDP to assist countries in achieving their development goals requires a commensurate increase in its resources and an expansion of its resource base on a continuous, more predictable and assured basis, as well as continuing improvement in its effectiveness, efficiency, coherence and impact;
6. *Stresses* the importance of a stable, predictable base of regular resources, and *encourages* Member States in a position to do so to announce pledges, on a multi-year basis, and payment schedules for the new planning cycle covering the period 2008-2011, and to adhere to such pledges and payment schedules thereafter.

26 June 2008

**2008/17****Annual report on evaluation (UNDP)***The Executive Board*

1. *Takes note of* the annual report on evaluation (DP/2008/25);
2. *Commends* UNDP for securing a predictable resource base from the core budget to support its independent evaluation function, and *underscores* the importance of ensuring quality through evidence-based evaluations and the continued independence of the Evaluation Office and its relationship with the Executive Board;
3. *Welcomes* the strengthening of the Evaluation Unit in the United Nations Development Fund for Women (UNIFEM), and its work in drafting a corporate evaluation strategy to support the UNIFEM strategic plan, 2008-2011;
4. *Urges* the relevant evaluation units to provide additional information and analysis on the evaluation functions and activities of UNCDF, UNIFEM and the United Nations Volunteers programme in future annual reports on evaluation;
5. *Requests* the Administrator to increase oversight to improve the quality and implementation of country office evaluation plans, including, inter alia, the systematic

updating and monitoring of evaluation plans, and the strengthening of regional and country office capacity and responsibility in evaluation design and methodology, while paying particular attention to regions with lower levels of country evaluation to ensure that there is sufficient coverage of evaluation of UNDP programming;

6. *Also requests* the Administrator to strengthen regional and country office capacities in results-based management, project design, monitoring and reporting, based on corporate tools, the design of clear, comprehensive terms of reference for evaluations, and improving the availability of resources and funding for regional and country level evaluations, including outcome evaluations;

7. *Urges* UNDP to strengthen senior management supervision and support for monitoring and evaluation by UNDP programme units, including the tracking of their management responses in follow-up to evaluations;

8. *Encourages* UNDP to continue to improve its submission and tracking of management responses;

9. *Acknowledges* the growing demand for UNDP to support national evaluation capacity development, and *requests* UNDP to continue to support national partners in developing capacities so as to exercise their national ownership in evaluation;

10. *Urges* UNDP to continue to improve its use of evaluation to support learning and a culture of results, and *requests* UNDP to provide a report to the Board on its follow-up to management responses, including follow-up actions on decentralized evaluations, at the annual session 2009;

11. *Approves* the assessments of development results and the activities to strengthen the evaluation function from the proposed programme of work for the Evaluation Office for 2008-2009;

12. *Requests* additional consultation with the Board on the new independent evaluations to be conducted by the Evaluation Office proposed in paragraph 85(b) in the programme of work for approval at the second regular session 2008;

13. *Stresses* the importance of clear linkages of subsequent programmes of work with the UNDP strategic plan, 2008-2011, while taking into account the need to provide sufficient descriptions on proposed independent evaluations to be conducted by the Evaluation Office and to hold informal consultations with Board members prior to formal sessions of the Executive Board.

27 June 2008

## **2008/18**

### **Evaluation of net contributor countries in the Arab region**

#### *The Executive Board*

1. *Takes note* of the evaluation of UNDP in the net contributor countries of the Arab region (DP/2008/26), its corrigenda ((DP/2008/26/Corr.1 and DP/2008/26/Corr.2) and the management response to that evaluation (DP/2008/27);

2. *Requests* UNDP to include the Board in its consultations concerning the review and development of criteria for continued UNDP presence in a net contributor country;

3. *Urges* UNDP to give high priority to strengthening its support to net contributor countries in the area of capacity development, based on national priorities and systems, in order to strengthen the sustainability of its programming.

27 June 2008

**2008/19**

**Evaluation of the United Nations Development Group contribution to implementing the Paris Declaration on Aid Effectiveness**

*The Executive Board*

1. *Having considered* the evaluation of the contribution of the United Nations Development Group to implementing the Paris Declaration on Aid Effectiveness (DP/2008/28) and the management response thereto (DP/2008/29);

2. *Encourages* UNDP, in collaboration with other members of the United Nations Development Group, to make increased use of national systems, when appropriate and to the benefit of programme countries, in order to strengthen national capacities and reduce transaction costs;

3. *Recalls* General Assembly resolution 62/208, which encourages the strengthening of evaluation activities, with particular focus on development results, including through the promotion of collaborative approaches to evaluation, including joint evaluations; and in this regard *encourages* UNDP to continue to conduct joint evaluations with other United Nations organizations on development effectiveness while retaining a focus on the accountability of UNDP, in order to increase the value of evaluation to programme countries;

4. *Also encourages* UNDP, after consultation with other relevant United Nations organizations, to undertake further informal consultations with the Executive Board to determine the appropriate intergovernmental forum for the evaluation of the United Nations Development Group contribution to implementing the Paris Declaration on Aid Effectiveness.

26 June 2008

**2008/20**

**Annual report of the Executive Director, United Nations Office for Project Services**

*The Executive Board*

1. *Takes note of* the annual report of the Executive Director of the United Nations Office of Project Services (UNOPS) (DP/2008/32);

2. *Welcomes* the progress of UNOPS towards improving effectiveness and efficiency in line with its business strategy;

3. *Takes note of* the contributions to the operational results of the United Nations;

4. *Also takes note of* the 2007 UNOPS business acquisition, which demonstrates growing confidence on the part of UNOPS partners.



5. *Requests* the Administrator of UNDP and the Executive Director of UNOPS to submit to the Executive Board a report on the governance structure of UNOPS for discussion at the second regular session 2008.

26 June 2008

## 2008/21

### **Results-oriented annual report of the Executive Director, United Nations Capital Development Fund**

#### *The Executive Board*

1. *Takes note of* the results-oriented annual report (DP/2008/33) of the United Nations Capital Development Fund (UNCDF), including the section on the implementation of the UNCDF cost-recovery policy;
2. *Notes with appreciation* the contributions that UNCDF has been able to make to development outcomes in the least developed countries in the area of local development and inclusive finance, while implementing its business plan, 2005-2007: Investing in the LDCs;
3. *Notes with concern* that UNCDF did not reach its 2007 resource mobilization targets, even though there has been an upward trend in UNCDF regular and other resources;
4. *Reiterates* its request that UNDP and UNCDF continue their efforts to secure stable programme funding for UNCDF activities, and *reiterates* its call to donor countries, and other countries in a position to do so, to provide and sustain additional funding support for UNCDF programmes and activities in the least developed countries;
5. *Requests* the UNCDF management to report on the implementation of the cost recovery policy, including the impact of the applied rates on regular and other resources, as well as the use and allocation of indirect costs recovered, for consideration at the second regular session 2009;
6. *Requests* the Administrator to appoint, as soon as possible, a new Executive Secretary for UNCDF.

27 June 2008

## 2008/22

### **United Nations Volunteers — Report of the Administrator**

#### *The Executive Board*

1. *Takes note of* the annual report of the Administrator on the United Nations Volunteers programme (DP/2008/34);
2. *Appreciates* the continued expansion of the scope and complexity of United Nations Volunteers programme activities and the progress made in operationalizing its business model and reporting on results and the related alignment of staff, resources and programming;
3. *Welcomes* the initiatives taken to develop new partnerships and enhance the substantive contributions made by the United Nations Volunteers programme to building capacities and promoting volunteerism in support of programme countries;

4. *Reiterates* its call on the relevant organizations and bodies of the United Nations system to continue efforts to integrate volunteerism into their policies, programmes and reports, including those relating to achievement of the Millennium Development Goals;
5. *Notes* that the United Nations Volunteers programme can effectively contribute, at the community level, to addressing environmental sustainability, including climate change, and *encourages* the United Nations Volunteers programme to engage in community-level natural resources management and climate mitigation and adaptation activities, upon request by programme countries.
6. *Notes, in that regard*, the catalytic role of resources from the Special Voluntary Fund in supporting pilot interventions and research to promote volunteerism for development;
7. *Also notes* that the contributions to the United Nations Volunteers Special Voluntary Fund reached \$6.7 million in 2007, and *encourages* countries in position to do so to contribute to this fund to enable the United Nations Volunteers programme to further explore, expand and strengthen the role of volunteerism and volunteer contributions to development;
8. *Commends* the United Nations Volunteers programme for its results in gender parity at senior levels and among staff, as well as for its progress in programmatic gender mainstreaming;
9. *Calls upon* the organizations of the United Nations system to increase their efforts towards achieving gender parity in the recruitment of United Nations Volunteers;
10. *Reaffirms* its support for the United Nations Volunteers programme as focal point for the follow-up to the International Year of Volunteers, in line with General assembly resolution 60/134, including leadership in reporting on follow-up.

26 June 2008

## **2008/23**

### **United Nations Development Fund for Women — Annual report and cost-recovery policy**

#### *The Executive Board*

1. *Takes note of* the annual report of the Executive Director of the United Nations Development Fund for Women (UNIFEM) programme (DP/2008/35), and the response to decision 2008/3, which asked UNIFEM to report on the implementation of the cost-recovery policy;
2. *Recognizes* the achievements towards the results identified in the multi-year funding framework, 2004-2007, *welcomes* the significant growth in UNIFEM resources, and *calls upon* all countries in a position to do so to increase their contributions, especially to UNIFEM regular ('core') resources, including through multi-year pledges;
3. *Requests* UNIFEM to avoid using core resources to cover costs related to the management of extrabudgetary resources, in accordance with General Assembly resolution 62/208;
4. *Decides* that, and consistent with similar approaches in other United Nations funds and programmes, a recovery rate of 7 per cent be adopted for recovery of indirect support costs for new third-party contributions and a rate of 5 per cent on programme country cost-sharing contributions;

5. *Recognizes* that these cost-recovery rates may be further refined to reflect a full cost-recovery rate following consideration of this item by the Executive Board at its second regular session 2009;
6. *Requests* the Executive Director to report on the implementation of the cost recovery, including the impact of the applied rates on regular and other resources, as well as the use and allocation of indirect costs recovered, and with possible options of rate variations, taking into account execution modalities and management expenses, for consideration at that second regular session 2009, in conjunction with the medium-term review of the strategic plan and the submission of the biennial support, 2011;
7. *Stresses* that other ('non-core') resources should continue to support the UNIFEM strategic plan priorities and results, and *encourages* UNIFEM to monitor its cost-recovery policy to ensure that regular resources do not subsidize the support costs for projects and programmes funded by other resources;
8. *Decides* to maintain the authority of the Executive Director of UNIFEM to grant waivers to the cost-recovery rate through a case-by-case review, taking into account the financial impact on the organization, and *requests* that UNIFEM inform the Executive Board of all exceptions in the annual financial reporting;
9. *Urges* UNIFEM to continue harmonizing its cost classification and cost-recovery policy with other United Nations funds and programmes.

27 June 2008

## 2008/24

### UNDP engagement in direct budget support and pooled funds

#### *The Executive Board*

1. *Takes note* of the report contained in document DP/2008/36;
2. *Welcomes* aid effectiveness aimed at ensuring the highest development impact, *recognizes* that country ownership and capacity building and development are fundamental elements of aid effectiveness, and, in this regard, *stresses* the role of UNDP in supporting developing countries in these processes;
3. *Recalls* resolution 62/208, in which the General Assembly encourages the United Nations development system to be invited to participate, ex officio, in current and new aid modalities and coordination mechanisms, at the request of the programme country, and invites the United Nations development system to enhance its participation in this regard;
4. *Stresses* the importance of building national capacity, simplifying procedures and aligning them with national procedures and regulations, *welcomes* the efforts of UNDP to harmonize and align its activities in the context of the new aid environment, *encourages* UNDP to continue discussions on this approach within the United Nations Development Group, including the Bretton Woods Institutions, and to ensure adequate institutional staff training;
5. *Requests* UNDP to give preference to engagement in direct budget support, in the form of sector budget support, as a signatory, without fiduciary obligation, taking into account the views of programme countries;

6. *Endorses*, in principle, a four-year pilot period, starting in September 2008, for enabling UNDP financial contributions to pooled funding and sector budget support, on a case-by-case basis, upon the request of the recipient country and in accordance with the mandate and comparative advantage of UNDP, within the limitations and provisions provided in document DP/2008/36;

7. *Requests* UNDP to prepare an additional report for approval by the Executive Board at its second regular session 2008, including: (a) an update on the common approach among the United Nations Development Group towards the changing aid environment, (b) an analysis of the role of UNDP in the new aid environment, also in relation to other development partners, while emphasizing the further efforts of UNDP to achieve greater harmonization and alignment, and (c) a further elaboration of the criteria of engagement in sector budget support and pooled funding, and indicators to measure the effectiveness of this new aid modality;

8. *Urges* UNDP to sign the memorandum of understanding between the programme country and all participating development partners, which is the basis for the provision of sector budget support in that country;

9. *Approves*, for the duration of the pilot period, the proposed changes in the regulations and rules as contained in document DP/2008/36, including the requirements for direct financial contributions set out in box 1, taking into account the recommendations of the Advisory Committee on Administrative and Budgetary Questions, and *recognizes* that these rules and regulations may be further refined, if necessary, in the context of the harmonized regulations and rules currently under consideration in the United Nations;

10. *Requests* UNDP, during the pilot period, to include a progress report on the pilot in the annual report of the Administrator, and an overview of contributions to pooled funding and sector budget support in the annual review of the financial situation;

11. *Also requests* UNDP to prepare a report at the end of the pilot period, including: (a) an evaluation and an audit of the pilot on the basis of the criteria outlined in document DP/2008/36, and (b) an update on UNDP efforts towards the harmonization of regulations and rules under consideration in the United Nations, including the changes needed to allow participation in pooled funding and sector budget support;

12. *Further requests* UNDP to organize regular informal consultations with the Executive Board on progress with the pilot and the preparation of the reports requested in the present decision.

27 June 2008

## **2008/25**

### **Overview of decisions adopted by the Executive Board at its annual session 2008**

#### *The Executive Board*

*Recalls* that during its annual session 2008, it:

#### **Item 1**

##### **Organizational matters**

Approved the agenda and work plan for its annual session 2008 (DP/2008/L.2);

Approved the report of the first regular session 2008 (DP/2008/18); and

Agreed to the following schedule of future sessions of the Executive Board in 2008 and 2009:

Second regular session 2008:	8 to 12 September 2008
First regular session 2009:	19 to 22 January 2009
Annual session 2009:	26 May to 5 June 2009 (New York)
Second regular session 2009:	8 to 11 September 2009

Adopted the tentative work plan for the second regular session 2008 of the Executive Board.

## **UNFPA segment**

### **Item 2**

#### **Annual report of the Executive Director**

Adopted decision 2008/9 on the report of the Executive Director for 2007, including the statistical and financial review.

Took note of the joint report of UNDP and UNFPA on the recommendations of the Joint Inspection Unit in 2007 (DP/2008/23/Add.1-DP/FPA/2008/5 (Part II)).

### **Item 3**

#### **Funding commitments to UNFPA**

Adopted decision 2008/10 on funding commitments to UNFPA.

### **Item 4**

#### **Country programmes and related matters (UNFPA)**

Adopted decision 2008/11 on UNFPA and UNDP draft country programme documents.

Took note of the following draft country programme documents and the comments made thereon:

#### **Africa**

Draft country programme document for Benin (DP/FPA/DCP/BEN/7)

Draft country programme document for the Republic of the Congo (DP/FPA/DCP/COG/4)

Draft country programme document for Niger (DP/FPA/DCP/NER/7)

Draft country programme document for Nigeria (DP/FPA/DCP/NGA/6)

#### **Arab States, Europe and Central Asia**

Draft country programme document for Sudan (DP/FPA/DCP/SDN/5)

Approved the second one-year extension of the country programme for Burundi (DP/FPA/2008/6) and the two-year extension of the country programme for Pakistan (DP/FPA/2008/8);

Took note of the one-year extensions of the country programmes for Afghanistan (DP/FPA/2008/8), Ecuador and Guatemala (DP/FPA/2008/7).

### **Item 5**

#### **Evaluation (UNFPA)**

Adopted decision 2008/12 on evaluation in UNFPA.

## **Joint UNDP/UNFPA segment**

### **Item 6**

#### **Internal audit and oversight**

Adopted decision 2008/13 on internal audit and oversight in UNDP, UNFPA and UNOPS.

### **Item 7**

#### **Field visits**

Took note of the report of the joint field visit of the Executive Boards of UNDP/UNFPA, UNICEF and WFP to Haiti (DP/FPA/2008/CRP.1-E/ICEF/2008/CRP.11) and of the report on the field visit of the Executive Board of UNDP and of UNFPA to Kazakhstan (DP/2008/CRP.3-DP/FPA/2008/CRP.2).

## **UNDP segment**

### **Item 8**

#### **Annual report of the Administrator**

Adopted decision 2008/14 on the annual report of the Administrator;

Took note of the joint report of UNDP and UNFPA on the recommendations of the Joint Inspection Unit in 2007 (DP/2008/23/Add.1 — DP/FPA/2008/5 (Part II)).

### **Item 9**

#### **UNDP strategic plan, 2008-2011**

Adopted decision 2008/15 on the revised UNDP strategic plan, 2008-2011.

### **Item 10**

#### **Funding commitments to UNDP**

Adopted decision 2008/16 on the status of regular funding commitments to UNDP and its associated funds and programmes for 2008 and onward.

### **Item 11**

#### **Evaluation in UNDP**

Adopted decision 2008/17 on the annual report on evaluation;

Adopted decision 2008/18 on evaluation of net contributor countries in the Arab region;

Adopted decision 2008/19 on the evaluation of the United Nations Development Group contribution to implementing the Paris Declaration on Aid Effectiveness.

### **Item 12**

#### **Human Development Report**

Took note of the update on *Human Development Report* consultations (DP/2008/30).

### **Item 13**

#### **Country programmes and related matters (UNDP)**

Took note of the following draft country programme documents and the comments made thereon:

##### **Africa**

Draft country programme document for Benin (DP/DCP/BEN/1)

Draft country programme document for Mauritius (DCP/DCP/MUS/2)

Draft country programme document for Nigeria (DP/DCP/NGA/1)

Arab States

Draft country programme document for Sudan (DP/DCP/SDN/1)

Took note of the one-year extensions of the country programmes for Afghanistan, Argentina, Ecuador, Guatemala, Republic of Korea and the Turks and Caicos Islands, and approved the two-year extension of the country programme for Pakistan (DP/2008/31).

**Item 14**

**United Nations Office for Project Services**

Adopted decision 2008/20 on the annual report of the Executive Director of the United Nations Office for Project Services.

**Item 15**

**United Nations Capital Development Fund**

Adopted decision 2008/21 on the results-oriented annual report for 2007 of the Executive Director of the United Nations Capital Development Fund.

**Item 16**

**United Nations Volunteers**

Adopted decision 2008/22 on United Nations Volunteers — Report of the Administrator.

**Item 17**

**United Nations Development Fund for Women**

Adopted decision 2008/23 on the UNIFEM annual report and cost-recovery policy.

**Item 18**

**Financial, budgetary and administrative matters (UNDP)**

Adopted decision 2008/24 on UNDP engagement in direct budget support and pooled funds.

**Item 19**

**South-South cooperation**

Took note of the draft fourth cooperation framework for South-South cooperation (DP/CF/SSC/4).

**Item 20**

**Other matters**

Held a special event (panel discussion) on moving beyond commitments to deliver on Millennium Development Goal 5: the role of UNFPA and its partners;

Held a panel discussion on humanitarian response (UNFPA);

Held a briefing on the report of the external independent investigative review of UNDP operations in the Democratic People's Republic of Korea.

*27 June 2008*

**2008/26**

**Revision of the financial regulations of UNDP and UNFPA**

*The Executive Board,*

*Recognizing* that the number and gravity of attacks and threats against United Nations personnel have increased substantially over the past several years, and

*Acknowledging* that United Nations organizations should be able to respond to such incidences in a timely and appropriate manner,

*With regard to UNDP,*

1. *Takes note of* the report on the revision of the financial regulations of UNDP (DP/2008/41) and the corresponding report by the Advisory Committee on Administrative and Budgetary Questions (DP/2008/42);

2. *Decides* that financial regulation 23.01, contained in document DP/2008/41, should read as follows:

“(a) The Administrator may make such ex gratia payments, not exceeding \$75,000 per year, as he or she deems necessary in the interest of UNDP. A statement of such payments should be included in the audited financial statements, except as set forth in paragraph (b) below:

(b) In the case of an emergency where, at the discretion of the Administrator, immediate ex gratia payments are necessary for humanitarian reasons (in instances such as injury or death suffered in connection with UNDP activities), the Administrator may make such payments in accordance with paragraph (a) above, except that such payments shall be without limitation as to the amount. The Administrator shall immediately inform the Executive Board when any single situation results in payments totalling in excess of \$50,000.”

3. *Takes note of* the corresponding change in financial rule 123.01.

*With regard to UNFPA,*

4. *Takes note of* the report on the revision of the financial regulations of UNFPA (DP/FPA/2008/15 and DP/FPA/2008/15/Corr.1) and the corresponding report by the Advisory Committee on Administrative and Budgetary Questions (DP/FPA/2008/16);

5. *Notes* that UNFPA has disbursed \$47,609 in ex gratia payments in 2008, and that this amount will be reflected in the UNFPA financial statements for the biennium 2008-2009;

6. *Recognizes* that the above payment exceeded the limit of \$25,000 imposed under financial regulation 14.5 for ex gratia payments;

7. *Approves*, on an ex post facto basis, the amount paid in excess of the above limit, in view of humanitarian and moral considerations;

8. *Decides* that financial regulation 14.5, contained in document DP/FPA/2008/15, should read as follows:

“(a) The Executive Director may make such ex gratia payments, not exceeding \$75,000 per year, as he or she deems necessary in the interest of UNFPA. A statement of such payments should be included in the audited financial statements, except as set forth in paragraph (b) below:



(b) In the case of an emergency where, at the discretion of the Executive Director, immediate ex gratia payments are necessary for humanitarian reasons (in instances such as injury or death suffered in connection with UNFPA activities), the Executive Director may make such payments in accordance with paragraph (a) above, except that such payments shall be without limitation as to the amount. The Executive Director shall immediately inform the Executive Board when any single situation results in payments totalling in excess of \$50,000.”

9. *Takes note of* the corresponding change in financial rule 114.9.

*11 September 2008*

**2008/27**

**Annual review of the financial situation, 2007 (UNDP)**

*The Executive Board*

1. *Takes note of* the annual review of the financial situation (DP/2008/39) and the detailed information contained in its addendum (DP/2008/39/Add.1);
2. *Encourages* all Member States to support UNDP in reaching the resource targets set out in the strategic plan and to commit, as early as possible, their contributions to UNDP regular resources for the years 2008 and onwards, through multi-year pledges if possible; and
3. *Recognizes* the importance of funding predictability in helping effective programme planning by UNDP.

*12 September 2008*

**2008/28**

**Report on the activities of the Inter-Agency Procurement Services Office for the biennium 2006-2007**

*The Executive Board*

1. *Takes note of* the report of the Administrator on the activities of the Inter-Agency Procurement Services Office for the biennium 2006-2007 (DP/2008/43), recognizing that this will be the last report submitted on IAPSO based on the successful implementation of the partial merger of certain IAPSO functions with UNOPS on 1 January 2008;
2. *Notes* the implementation by UNDP and UNOPS teams the partial merger transition process, especially in relation to business transfer and human resources activities.

*12 September 2008*

**2008/29**

**Role of UNDP in the changing aid environment at the country level**

*The Executive Board*

1. *Recalls* its decision 2008/24;
2. *Takes note of* the report on the role of UNDP in the changing aid environment at the country level (DP/2008/53), and *approves* implementation of the pilot programme as set out below;
3. *Notes* the report as a follow-up to DP/2008/36 and as a response to the request of the

Executive Board, in its decision 2008/24, for an additional report, and *requests* the Administrator to post on the Executive Board website further information as requested in decision 2008/24, paragraph 7, before releasing any funds to a pilot country, including greater detail in the criteria of engagement in sector budget support and pooled funding (which, per 2008/53, UNDP will issue as internal operational guidance to its country offices), and greater precision with respect to the indicators and benchmarks to be used to measure the effectiveness and results of the pilot programme and the potential for UNDP participation in this aid modality;

4. *Recalls* the importance of building national capacity, simplifying procedures and aligning them with national procedures and regulations, and considers *ex officio* participation of the United Nations development system in current and new aid modalities to be the most appropriate option in this regard;

5. *Encourages* UNDP to pursue this approach with the United Nations Development Operations Coordination Office to ensure synergy and common approaches in the United Nations system response to the changing aid environment;

6. *Requests* UNDP to include, in its annual financial review of the situation, the status of expenditures of any such fund to which it contributes.

*12 September 2008*

## **2008/30**

### **Evaluation of the role and contribution of UNDP in the environment and energy**

#### *The Executive Board*

1. *Takes note of* the present evaluation of the role and contribution of UNDP in the environment and energy and of the management response thereto (DP/2008/47);

2. *Takes note of* the conclusions that: (a) environment and energy significantly contribute to the core UNDP mission of poverty reduction, and (b) the role of UNDP in environment and energy management within the United Nations system is potentially important, especially at the country level, taking into account the principal role of the United Nations Environment Programme (UNEP) in this area, and emphasizing the cooperation with UNEP in this context and within the mandate of UNDP;

3. *Emphasizes* the need for UNDP to strengthen national capacity development in the environment and energy, keeping in mind the mission and capabilities of the organization, as well as the need to respond to the national sustainable development priorities of programme countries;

4. *Urges* UNDP to improve its responsiveness to the national priorities, especially in view of the specific needs of least developed countries and small island developing States;

5. *Requests* the Administrator to identify and implement institutional mechanisms and incentives, including cooperation and coordination with other United Nations organizations, to mainstream the environment and energy into all major practice areas, and to strengthen environment and energy capacities throughout the organization, including, and especially, in UNDP country offices.

6. *Requests* the Administrator to report orally to the Executive Board at its first regular session 2009 on the UNDP strategy on the environment and energy, based on the evaluation (DP/2008/46), and on the finalization of its memorandum of understanding with UNEP.

*11 September 2008*

**2008/31**  
**Programme of work of the Evaluation Office**

*The Executive Board*

1. *Recalls* its decision 2008/17;
2. *Takes note of* the additional information on the programme of work of the Evaluation Office for 2008-2009 provided during the additional consultations and in document DP/2008/49;
3. *Approves* the independent evaluations contained in the programme of work of the Evaluation Office for 2008-2009 and in DP/2008/49, and *stresses* the importance of clear linkages of subsequent programmes of work with the UNDP strategic plan, 2008-2011.

*12 September 2008*

**2008/32**  
**Evaluation of the third UNDP global cooperation framework;  
 UNDP global programme, 2009-2011**

*The Executive Board*

1. *Takes note of* the conclusions of the evaluation of the third global cooperation programme framework (DP/2008/44), and of the management response to this evaluation (DP/2008/45), and *requests* UNDP to continue to fully reflect them in the new fourth global framework (2009-2011) and in its implementation;

*Having considered* the UNDP global programme, 2009-2011 (DP/GP/2),

2. *Reaffirms* that all activities under the UNDP global programme 2009-2011 will be fully consistent with the provisions of General Assembly Resolution 62/208 of December 2007 on the Triennial Comprehensive Policy Review; and the Revised 2008-2011 UNDP Strategic Plan (DP/2007/43/Rev.1 and Rev.2) as amended pursuant to Executive Board decision 2007/32 of October 2007, and as endorsed by Executive Board decision 2008/15;
3. *Recognizes* that support to capacity-building and development constitutes the overarching contribution of UNDP in assisting the efforts of programme countries to achieve internationally agreed development goals, including the Millennium Development Goals, and *underlines* that the emphasis of capacity-building includes institutional and human capacity-building in accordance with their national plans and strategies;
4. *Requests* the Administrator in the context of the proposals to be presented to the Executive Board in line with decision 2008/1 on realigning the cost classification of UNDP activities, to include proposals on the future classification of the organization's policy advisory capacities;
5. *Also requests* the Administrator to include, in his annual report to the annual sessions of the Executive Board, improvements and implementation of the global programme, 2009-2011, *notes* that a midterm review of the global programme, 2009-2011, will be submitted to the annual session of the Executive Board 2010, and a final comprehensive report on performance and results submitted to the Executive Board at the annual session 2012.

6. *Decides* that this decision will serve as the preface to and be an integral part of the UNDP global programme, 2009-2011; and in that regard *approves* the UNDP global programme, 2009-2011, taking into account the guidance of this decision, as well as the comments of Member States.

*12 September 2008*

**2008/33**

**Status report on the implementation of the recommendations of the Board of Auditors for the biennium 2004-2005 (UNOPS)**

*The Executive Board*

1. *Takes note of* the status report on the implementation of the recommendations of the United Nations Board of Auditors for the biennium 2004-2005 (DP/2008/50);
2. *Acknowledges* the progress made since the release of the report of the United Nations Board of Auditors on 29 June 2007.

*12 September 2008*

**2008/34**

**Procurement activities of the United Nations system organizations**

*The Executive Board*

1. *Takes note of* the annual statistical report on the procurement activities of the United Nations system organizations (DP/2008/51);
2. *Welcomes* the data presentation and analysis contained in the report.

*12 September 2008*

**2008/35**

**Governance structure of UNOPS**

*The Executive Board*

1. *Takes note of* the report on the governance structure of the United Nations Office for Project Services (DP/2008/52);
2. *Approves* the amended role and function of the Management Coordination Committee — to be renamed the Policy Advisory Committee — as outlined in the present report.
3. *Requests* UNOPS to submit for approval at the first regular session 2009, a comprehensively revised set of UNOPS financial regulations and rules, taking into account the changes in the governance structure of UNOPS as well as the specifics of the UNOPS business model;
4. *Recommends* that the Secretary-General delegate authority to the UNOPS Executive Director to administer United Nations staff rules and regulations in respect of UNOPS staff.

*12 September 2008*

**2008/36****Fourth cooperation framework for South-South cooperation***The Executive Board*

1. *Takes note of* the fourth cooperation framework for South-South cooperation (DP/CF/SSC/4/Rev.1), and *requests* UNDP to take into account the recommendations made by Member States in its implementation;
2. *Welcomes* the results-oriented approach of the framework;
3. *Encourages* Member States in a position to do so to support UNDP and the Special Unit for South-South Cooperation in fully implementing the fourth cooperation framework for South-South cooperation.

*12 September 2008***2008/37****Internal audit and oversight (UNDP, UNFPA and UNOPS)***The Executive Board,*

1. *Recalls* its previous decisions concerning internal audit and oversight in UNDP, UNFPA and UNOPS, including 2006/13, 2007/29, 2007/44, 2008/8 and 2008/13; and *recalls* General Assembly resolution 59/272;
2. *Notes with appreciation* the efforts of UNDP, UNFPA and UNOPS to strengthen management, accountability, oversight and transparency in a harmonized and standardized way;
3. *Takes note of* the report on the UNDP accountability system (DP/2008/16/Rev.1) and *approves* the accountability framework and oversight policy contained therein, subject to the provisions of this decision;
4. *Also takes note of* the report on the UNFPA oversight policy (DP/FPA/2008/14) and *approves* the oversight policy contained therein, subject to the provisions of this decision;
5. *Further takes note of* the report on the UNOPS accountability and oversight policies (DP/2008/55) and *approves* the accountability framework and oversight policies set out therein, subject to the provisions of this decision;
6. *Reaffirms* the operational independence of all oversight mechanisms, including those related to audit, oversight and ethics;
7. *Underscores* the importance of Executive Board oversight and *recognizes* that nothing in the above-mentioned reports should restrict the authority of the Executive Board, as set out in its Rules of Procedure;
8. *Underlines* the importance of enhanced results-based management for the accountability of UNDP, UNFPA and UNOPS to States members of the United Nations;
9. *Urges* the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS, in appointing (a) members of their Audit Advisory Committees; (b) directors of their Ethics Offices; and (c) directors of the UNDP Office of Audit and Investigations and the UNFPA Division for Oversight Services, and the Head of the UNOPS Internal Audit

Office; while applying existing guidelines<sup>2</sup>, to ensure the avoidance of conflicts of interest;

10. *Decides* that the Ethics Office of UNDP should submit a report to the Executive Board at its annual session;

11. *Reaffirms* the prerogative of the Executive Board to approve country programmes, and *also reaffirms* the importance of continuity in supporting programme countries, and *underscores* the value of internal audit reports as management tools to improve the capacity of country offices;

12. *Decides*, after taking into consideration the views expressed by the members of the Executive Board, that the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS may disclose internal audit reports to Member States in accordance with the relevant provisions stipulated in documents DP/2008/16/Rev.1, DP/FPA/2008/14 and DP/2008/55, and in accordance with the provisions of this decision, exercising the greatest extent of discretion and protecting the legitimate rights of the programme country;

13. *Requests* the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS to immediately inform the Executive Board and the concerned Government of the request for internal audit reports, prior to disclosure, with a copy of the request provided by the requesting party, and to provide the concerned Government with adequate time to view and comment on the report;

14. *Reaffirms* that information disclosed shall be kept confidential, and that written requests for access to internal audit reports should include the reason and purpose for the request and an affirmation to adhere to the procedures of disclosure, as stipulated in documents DP/2008/16/Rev.1, DP/FPA/2008/14 and DP/2008/55;

15. *Requests* UNFPA to provide the Executive Board with the annual report of the Audit Advisory Committee and the management response thereto, as annexes to the annual report on internal audit and oversight;

16. *Requests* UNOPS to provide the Executive Board with an annual report from the Strategy and Audit and Advisory Committees, and the management response thereto, as annexes to the annual report on internal audit and oversight;

17. *Requests* the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS to orally report on the implementation of this decision at the second regular session 2009 of the Executive Board;

18. *Requests* the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS to submit, for consideration by the Executive Board, at its annual session 2010, a report on the implementation of this decision, including, inter alia, the number of requests for internal audit reports; the conclusions of reviews by the Audit Advisory Committees of the implementation of this decision, including audit information redacted or withheld from disclosure; and confirmation of adherence to the principle of confidentiality for audit information disclosed to members of the Executive Board.

19 September 2008

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<sup>2</sup> United Nations system-wide application of ethics: separately administered organs and programmes (ST/SGB/2007/11); UNDP: Charter of the Office of Audit and Investigations and terms of reference of the Audit Advisory Committee, 8 February 2008; UNFPA: Charter of the Division for Oversight Services and terms of reference of the Audit Advisory Committee, 22 January 2007; UNOPS: Internal Audit Charter (Organizational Directive number 25, 29 April 2008) and terms of reference of the Strategy and Audit Advisory Committee.

**2008/38****Overview of decisions adopted by the Executive Board of UNDP/UNFPA at its second regular session 2008***The Executive Board*

Recalls that during its second regular session 2008, it:

**Item 1****Organizational matters**

Approved the agenda and work plan for the second regular session 2008 (DP/2008/L.3);

Approved the report of the annual session 2008 (DP/2008/37);

Agreed to the following schedule of sessions of the Executive Board in 2009:

Election of the Bureau for 2009:	9 January 2009
First regular session 2009:	19 to 22 January 2009
Joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP:	23 and 26 January 2009 (tentative)
Annual session 2009:	26 May to 5 June 2009 (New York)
Second regular session 2009:	8 to 11 September 2009.

**UNFPA segment****Item 7****Financial, budgetary and administrative matters (UNFPA)**

Adopted decision 2008/26 on the revision of the financial regulations of UNDP and UNFPA

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions (DP/FPA/2008/16) on the revision of financial regulations (UNFPA).

**Item 8****Country programmes and related matters (UNFPA)**

Approved the following country programmes on a no-objection basis, without presentation or discussion, in accordance with decision 2006/36:

**Africa:** Benin, Republic of the Congo, Niger and Nigeria;

**Arab States:** Sudan;

Approved the third one-year extension of the country programme for Lebanon;

Took note of the following draft country programme documents and the comments made thereon:

**Africa**

Draft country programme document for Angola (DP/FPA/DCP/AGO/6)

Draft country programme document for Côte d'Ivoire (DP/FPA/DCP/CIV/6)

Draft country programme document for Kenya (DP/FPA/DCP/KEN/7)

Draft country programme document for Mauritania (DP/FPA/DCP/MRT/6)

**Asia and the Pacific**

Draft country programme document for Timor-Leste (DP/FPA/DCP/TLS/2)

**Latin America and the Caribbean**

Draft country programme document for Haiti (DP/FPA/DCP/HTI/4)

Draft country programme document for Venezuela (Bolivarian Republic of)  
(DP/FPA/DCP/VEN/2)

**UNDP segment**

**Item 2**

**Financial, budgetary and administrative matters**

Adopted decision 2008/26 on revision of the financial regulations of UNDP and UNFPA;

Adopted decision 2008/27 on the annual review of the financial situation, 2007 (UNDP);

Adopted decision 2008/28 on the activities of the Inter-Agency Procurement Services Office for the biennium 2006-2007;

Adopted decision 2008/29 on the role of UNDP in the changing aid environment at the country level;

Took note of the report on the information on United Nations system technical cooperation expenditures 2007 (DP/2008/40) and its addendum (DP/2008/40/Add.1).

**Item 3**

**Evaluation in UNDP**

Adopted decision 2008/30 on the role and contribution of UNDP in the environment and energy;

Adopted decision 2008/31 on the programme of work of the Evaluation Office.

**Item 4**

**Country programmes and related matters (UNDP)**

Adopted decision 2008/32 on the evaluation of the third global cooperation framework and of the fourth global programme, 2009-2011;

Approved the following country programmes on a no-objection basis, without presentation or discussion, in accordance with decision 2006/36:

**Africa:** Benin, Mauritius, Nigeria;

**Arab States:** Sudan;

Approved a second one-year extension of the country programme for Burundi and the third one-year extension of the country programme for Lebanon;

Took note of the following draft country programme documents and the comments made thereon:

**Africa**

Draft country programme document for Angola (DP/DCP/AGO/2)

Draft country programme document for Côte d'Ivoire (DP/DCP/CIV/1)

Draft country programme document for Kenya (DP/DCP/KEN/1)

Draft country programme document for Mauritania (DP/DCP/MRT/1)

Draft country programme document for Niger (DP/DCP/NER/1)

Draft country programme document for the Republic of the Congo (DP/DCP/COG/1)



**Asia and the Pacific**

Draft country programme document for Timor-Leste (DP/DCP/TLS/1)

**Latin America and the Caribbean**

Draft country programme document for Haiti (DP/DCP/HTI/1)

Draft country programme document for Venezuela (Bolivarian Republic of) (DP/DCP/VEN/1)

Organized an oral briefing on the UNDP response to the humanitarian emergency created by cyclone Nargis.

**Item 5****United Nations Office for Project Services (UNOPS)**

Adopted decision 2008/33 on the status report on the implementation of the recommendations of the Board of Auditors for the biennium 2004-2005;

Adopted decision 2008/34 on procurement activities of the United Nations system organizations;

Adopted decision 2008/35 on the governance structure of UNOPS.

**Item 6****South-South cooperation**

Adopted decision 2008/36 on the fourth cooperation framework for South-South cooperation.

**Joint UNDP/UNFPA segment****Item 9****Follow-up to the meeting of the Programming Coordinating Board of the Joint United Nations Programme on HIV/AIDS**

Took note of the report on the implementation of the decisions and recommendations of the Programming Coordinating Board of the Joint United Nations Programme on HIV/AIDS (DP/2008/54-DP/FPA/2008/13).

**Item 10****Internal audit and oversight**

Adopted decision 2008/37 on internal audit and oversight (UNDP, UNFPA and UNOPS).

**Item 15****Other matters**

Held the following informal briefings and consultations:

UNDP

Held informal consultations on the Democratic People's Republic of Korea.

*19 September 2008*

## Annex II

### **Membership of the Executive Board in 2008**

(Term expires on the last day of the year indicated)

African States: Algeria (2008); Angola (2009); Benin (2008); Central African Republic (2009); Malawi (2009); Senegal (2009); Somalia (2009); United Republic of Tanzania (2010).

Asian and Pacific States: Bangladesh (2008); Bhutan (2009); China (2009); India (2009); Lao People's Democratic Republic (2010); Pakistan (2008); Republic of Korea (2010).

Latin America and Caribbean States: Antigua and Barbuda (2009); Colombia (2010); Ecuador (2008); Haiti (2010); Jamaica (2008).

Eastern European and other Status: Azerbaijan (2010); Russian Federation (2008); Serbia (2009); Slovakia (2010).

Western European and other States group (WEOG)\*: Australia; France; Denmark; Iceland; Ireland; Italy; Japan; Netherlands; Norway; Sweden; Switzerland; United States.

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\* WEOG has its own schedule, which varies every year.

