**Annex 6.**

**Working Better Together**

**A UNDP plan for engagement and constructive dialogue with the Executive Board**

Given its strong commitment to uphold highest standards of accountability and transparency, UNDP welcomes the opportunity to have in place strengthened mechanisms for engagement with the Executive Board in order to benefit from Member States’ strategic guidance and oversight. It is in this spirit that UNDP presented, at the first Regular session of the Executive Board 2018, for its consideration at the Annual Session 2018, a working plan for engagement with the Board with respect to the implementation of the UNDP Strategic Plan 2018-2021 and the Integrated Resources Plan and Integrated Budget for 2018-2021 (Decisions 2017/30 (Operative Paragraphs 6 and 7) and 2017/31 (Operative Paragraph P13, respectively).

Since then, UNDP has conducted a series of informal thematic briefings on a wide range of themes as identified together with Member States (see table on page 2). For UNDP, this initial engagement provided the foundation for an intensified process of consultation, through more regular interaction and information sharing (above and beyond the requests made through Decisions), but it also offered valuable feedback and some key lessons to consider in moving forward.

**Key feedback from Member States on consultations so far:**

* High appreciation for UNDP’s willingness to further strengthen a constructive spirit of collaboration with its Executive Board.
* While the briefings helped to better contextualize and nuance complex development issues and processes, capacity constraints of smaller delegations need to be better taken into consideration when organizing briefings.
* Balance will need to be struck between keeping engagement at a strategic level (and for information purposes only) and more detailed discussions with concrete follow up actions and outputs.
* The inclination from Member States to add additional topics to briefings must be managed, provided there is consensus across the membership.
* It will be critical to avoid creating parallel processes and/or encroach into issues that may already be covered under different agenda items of the Board.

**Moving forward:**

Building on the lessons learned, UNDP will, working through the Bureau of the Executive Board, respond to various immediate and longer term strategic opportunities to further strengthen its engagement with Member States. UNDP recognises that several issues of mutual interest are also interconnected and interdependent on various reform outcomes.

Further briefings will be provided based on three criteria:

* Briefings related to on-going issues of relevance to the Board such as: (i) Progress on SP implementation, (ii) Evolution of UNDP’s Business Model, and (iii) Implications of UN Reform outcomes on UNDP. A briefing on these issues will be scheduled twice per year between formal Board sessions.  Tentative dates for such briefings will be included in the Annual Calendar of the Board.
* Requests for an ad-hoc briefing on a specific issue, endorsed by the Bureau of the Executive Board and conveyed to the Administrator by the Board President (for example, the recent request to add an agenda item on Sexual Exploitation and Abuse, Workplace Sexual Harassment at the annual session). The process by which the Bureau reviews and endorses such ad-hoc requests is to be determined by the Bureau in consultation with the EB Secretariat.  The Bureau may also request a written briefing on such topics to be circulated to Board members in lieu of an informal meeting, noting also the capacity constraints of many delegations.
* At the discretion of the Administrator, he may wish to provide an ad-hoc briefing to the Board on an issue which he deems to be of relevance. This will be conveyed to the President of the Board for endorsement before such a briefing is scheduled.

UNDP welcomes feedback of the Executive Board on these proposals.

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| **THEME** | **TOPICS TO BE DISCUSSED** | **STATUS** |
| **UNDP’s Gender Equality Strategy** | * Overview of UNDP’s gender equality strategy | **Completed**  (5 February 2018)  UNDP invited written inputs to be incorporated into the draft |
| **Planning for Strategic Plan Implementation** | * Global hub * Country level platforms * Innovation * UNDP’s approach to linking results to resources * Results Monitoring and Reporting | **Completed**  (13 March 2018)  &  2nd half of October 2018\* |
| **Improving UNDP’s business model** | * Approach to improvement of UNDP Business Model (Performance and Innovation Streams) | **Completed**  (14 March 2018)  &  2nd half of October 2018\* |
| * Ongoing efforts related to Institutional set-up & performance management, staff capacity, etc. | Further sessions in 2019  and 2020 |
| * Harmonized Cost Recovery | EB Annual Session in September |
| **A UNDP for the UN system** | * UNDP’s SP Commitments & Service Offer to the UNDS * UNDP’s engagement with other UN agencies for more coherent, integrated SDG implementation, including the HDP nexus * UNDP’s global platform offer * UNDP’s country integration platform offers * Update on SP Common Chapter implementation | **Completed**  (21 March 2018)  &  2nd half of November 2018\* |
| **IRRF Methodology and Approach (EB Decision 2017/30 OP7)** | * Progress with IRRF Indicator methodologies and link to the Common Chapter * Approach and methodology for population of IRRF with milestones and targets (final expected at June EB) | **Completed**  (27 April 2018) |
| **UNDP partnerships** | * Briefing on Resource Mobilization Strategy and update on Revitalized Structured Funding Dialogues | **17 May 2018**  3-5 pm  CR 6 |
| * The multifaceted nature of UNDP’s: * Partnerships with the private sector * Partnerships with civil society and academia * Partnerships with IFIs * South-South and Triangular Cooperation partnerships * Partnerships with UN entities | 2nd Half of 2018\* |

\* Dates are indicative and subject to finalization with the Bureau of the Executive Board.

**Summaries of Briefings:**

At the request of Member States, the Executive Board Secretariat produced summaries of four briefings. Given space limitation, summaries have been slightly edited below. Delegations are encouraged to refer to the summaries circulated by the Executive Board Secretariat.

1. **Planning for UNDP Strategic Plan Implementation (13 March)**

* UNDP discussed the global and country platforms, review of policy functions, how UNDP is linking results to resources, and UNDP results monitoring and reporting.
* Challenges and lessons learned from the 2014-2017 SP cycle were discussed, as well as the way forward for the 2018-2021 SP cycle in areas such as alignment of the IRRF with the SDGs and 2030 Agenda, focus on country level results and a stronger results culture, creating the basis for enhanced collaboration with sister agencies and alignment with the QCPR.
* The approach to linking country work with UNDP’s global commitments in the SP now focuses on the Country Programme Document (CPD).  It links CPD outputs to SP outputs, which ensures both linkage to the UNDAF (via the CPD) as well as a clear relationship to the SP and the SDGs (and their related indicators). This should enable Country Offices to focus their energies on monitoring their CPDs and contributions to the UNDAF as well as assess performance through substantially simplified annual reporting, contributing to an expected reduction in workload and improved attention to the use of performance data for decision-making.  The approach also lays a good foundation for reporting on the Common Chapter and common QCPR indicators, and creates opportunities for harmonizing monitoring and reporting across agencies.
* Member States raised questions related to comparative advantages, follow-up on the Common Chapter indicators, continuation of MAPS, the new platforms, linking results to resources, linkages to the UNDAF, and linkages to UN reform, among other issues. The topic of working with other funds and programmes was also discussed. UNDP emphasized collaboration amongst the funds and programmes and other partners.  MAPS, for instance, will continue and be strengthened, building on experience already gained with other agencies of the UN Development System, the World Bank, AsDB, and OECD.  The Common Chapter has also presented many opportunities for inter-agency cooperation and has allowed the four funds and programmes to better identify comparative advantages. The agencies are also discussing how to report against the Common Chapter.  There are also markers at the project level which will allow for monitoring of initiatives with the Joint Fund.
* On the platforms, it was clarified that – pending final decisions from Member States on the role of the RC - the idea behind the platforms contained in the UNDP SP is based on the assumption that the RC will have the overall leadership of joint work at the country level, while UNDP would support coordination and implementation.  Furthermore, there could be platforms led by other agencies as well.

1. **Briefing on improving UNDP’s business model (14 March)**

* Issues discussed were: defining UNDP’s business model, the approach, updates on the performance and innovation streams; and revising of project and programme management policies and procedures.
* The approach focuses on organizational culture with continuous improvement, innovation, and responsiveness with the Administrator and other managers leading by their actions in engaging more with staff, encouraging innovation, and promoting interaction and knowledge exchange amongst Country Offices. The performance stream of the business model focuses on making the organization more cost-efficient and effective and updates cited in this area included a new budget process for 2018, reviewing the policy function and corporate services, new project and programme management guidance, continued work on cost-recovery, and more delivery acceleration efforts.
* The innovation stream of the business model focuses on testing new approaches, testing for scalability and financial feasibility, and possible replication. Updates cited in this area included a new country investment facility, new innovation stream initiatives within UNDP’s broader Innovation Facility, and market testing discussions with emerging partners, including NGOs toward new forms of partnerships.
* Member States raised questions related to how the business model work will be organized, the timeline, links to the QCPR, integration of platforms, the Common Chapter of the SP, cost-recovery, the innovation facility, and staffing/personnel issues, among other issues. Other issues and questions raised included how UNDP is learning and sharing experiences with the other funds and programmes, linkages to UN reform, linkages between the different engagement plan briefings, and there were also requests for more details. It was also encouraged to avoid overlaps with other UNDS and UN reform briefings.
* In response, UNDP indicated that all efforts are being made to share knowledge amongst the agencies, and the related QCPR mandates go beyond UNDP, including UN reform issues, which is why further interaction with the funds and programmes is crucial.  On the integrated platforms, they relate to an evolving UNDP business model to best meet country needs. Furthermore, on Common Chapter implementation, the plan of work is being finalized and will feature in the annual reports of the agencies.
* On the issue of staffing and personnel, these issues are ongoing and UNDP is trying to be open, engaging, and transparent with staff.  When the new HR Director is on board, the organization will look more at policies, staff capacities, performance management, etc. Culture change and performance management are a big focus for UNDP and management is leading by example in interacting differently with staff with regular teleconferences, online discussions, new apps, etc. On the innovation facility, UNDP sees this as a good way of also working with sister agencies, the regional commissions, and DESA as there is also a joint innovation network, and there is also interaction with DOCO on their Delivering Together Facility (DTF).

1. **A UNDP for UN System (21 March)**

* Underscoring the 100% support of UNDP to the SG reform agenda, UNDP management presented some elements of the impact of the SG proposals on UNDP, and welcomed continued dialogue with Member States on the issue.
* The SG proposal recognizes the important role for UNDP “repositioned as the integrator platform at the heart of a new generation of country teams.”  In order to deliver on these expectations, UNDP reinforced the point that it will be of critical importance to protect UNDP’s ability to run its field operations. Continued protection of core resources will be a key part of this.
* Possible implications: Delinking of the RC/RR functions, costs associated with the delinking, and the knock-on effect on UNDP’s field operations set-up. UNDP also illustrated how specific types of funding are used in different classifications of country office settings: large programme/mission, medium programme, small programme, and Multi-Country Offices and the importance of protecting core funding for the management and oversight of Country Office operations. Splitting the current combined functions into two separate positions, implies both new resource requirements outside UNDP (i.e. new RCS) and retaining a head of office function inside UNDP. Management also explained how UNDP would recover costs for services to the new RC System set-up, as it does from other agencies in UNCTs.
* UNDP also described discussions with DOCO and the regional directors about the regional architecture, continued efforts on joint programming, and system-wide reporting on the reform process. UNDP also clarified the latest thinking vis-à-vis the global and country platforms and discussions with Country Offices on the support, skills, and financing needed.  Teams are detailing platform characteristics, qualification requirements, platforms’ relationship with the UN system, governance, and the support required.
* Also discussed was the new Steering Committee on Humanitarian-Development Collaboration. The chair is the DSG and Vice Chairs are the UNDP Administrator and the Emergency Relief Coordinator.  UNDP is very engaged in supporting the operationalization of the nexus (in particular in the context of protracted crisis), including through Inter-Agency Standing Committee and UNDG processes, and also in its engagement with the World Bank. In countries facing humanitarian emergencies, crisis and post-crisis situations, the country platforms can also facilitate greater cooperation and complementarity across the nexus.
* Member States raised questions related to various financial aspects of the proposed UN reforms, such as where different posts (RR, CD, DRR, etc.) were paid from (core/non-core, etc.), what is covered in the $255M calculated for the proposed assessed budget for the RC system, about whether post-delinking models had been developed with cost-neutral scenarios, increased potential for common back-office services, the cost impact on multi-country offices, and if separate RC & RR offices will translate into increased GLOC. Members States also inquired as to how to address weak spots in management and accountability in the UNCT, and linkages to the humanitarian-development-peacebuilding nexus.
* UNDP clarified that RRs are funded from core, half of CDs are from core and DRRs proportionally budgeted. SG’s request was based upon the McKinsey study and several scenarios have been explored, but billing was often different from forecasting (many variables include exchange rates and rents). UNDP was discussing with DOCO and the budget team at the UN regarding SG’s requested assessed contributions and charging for associated UNDP services. There were different ways in which UNDP might provide services to a delinked RCS, but the modality had not been clarified and up-front and one-time costs were yet to be calculated.  Regarding common back office savings, there were different models for doing this, and no clear decision yet on which to adopt but in the medium term at least, some savings should start to accrue. In the most common model where UNDP underwrites costs and sells services, some savings do not necessarily accrue within UNDP but could rather do so for other agencies (so again, certainly not a safe assumption upon which to cut UNDP’s core). Government local cost-sharing would only increase if host countries agree.

1. **IRRF Methodology and Approach (27 April)**

* Issues addressed were progress with IRRF indicator methodologies, baseline-milestone-target (BMT) setting, and links to the Strategic Plan Common Chapter, as well as the approach and methodology for population of the IRRF with milestones and targets. UNDP aims to complete the BMT aggregation and population by end of May in time for the June Annual Session.
* Also discussed was results monitoring and reporting architecture and the approach and methodology for populating the IRRF, whereby project outputs are linked to CPD outputs, which are linked to SP outputs, SDG targets, and IRRF indicators. The link between the IRRF and the SP Common Chapter was also discussed, showing how UNDP’s contributions to the 6 thematic areas of the Common Chapter are monitored at 3 levels—impact & outcome (common SDG indicators), output (IRRF), and institutional (common QCPR indicators). Another updated provided included new ‘markers’ to monitor UNDP’s contributions to the SDGs and the Common Chapter
* Next steps in the process were also mentioned, with the IRRF and BMTs fully populated by end of May, 2018 results and resources monitoring taking place April-Dec, status update to the EB in Oct., year-end results reporting by Dec., all in time for the Annual Report for 2018 to be presented at the EB in June 2019.
* Member States raised questions about how the new markers would work, links between results and resources, data collection and baseline setting, as well as operationalizing and reporting on the Common Chapter and collaboration with other agencies
* UNDP commented that the new markers would have tagging at the project level, which would allow for an added dimension to UNDP’s work and provide a good basis for analysis.  And on data collection, attempts at simplification have been made with clear methodological notes, plus the quality assurance system will complement it.  And since there is the positive aspect of having continuity of some indicators from the last IRRF, this has allowed for there to be more clarity in setting of some baselines.
* On the link between results and resources, the first link is at the outcome level and resource targets are against that level. Analysis of results and resources will occur through signature solutions as well. The project level markers will also give an indication of resources vis-à-vis results, as will the indicator level.
* Regarding the SP Common Chapter, and inter-agency SP team is working to coordinate joint work drawing on collaborative advantages with the 4 agencies and beyond in the 6 areas have been identified. There are also new ‘accelerator initiatives’ with the Common Chapter that will further drive joint work on the ground. And a note from the heads of the 4 agencies has gone out to RCs on implementation of the Common Chapter. Metrics for implementation are also being developed.
* On evaluation of the Common Chapter, the 4 agencies are discussing this to ensure a consistent approach. On reporting, the final section in the 2017 Annual Report is also on SP implementation and how UNDP will work with other agencies, accelerator initiatives, and monitoring Common Chapter commitments and the 2018 Annual Report will have reporting as well, with any other common reporting to be further discussed. UNDP is also making good progress in working with other agencies on harmonizing the overall approach to RBM, Common QCPR indicators, common SDG indicators, the report card approach, and Common Chapter reporting.
* Regarding next steps and upcoming informals, UNDP will be happy to meet with any delegations requesting a meeting, and they added that the theory of change for the SP 2018-2021 is being developed so this could also be discussed. And the update briefing in October will be an opportunity to show baseline data and give an initial indication about what the Markers are showing.