



**ONE UN
'DELIVERING AS ONE'
IN RWANDA
CONCEPT PAPER**

Table of Contents

Signature Page.....	3
Background.....	6
a. International Context	6
b. UN Reform in Rwanda	6
Vision for 'One UN' in Rwanda.....	7
a. Value-Added of the UN system in Rwanda	7
b. Obstacles to UN system Impact in Rwanda.....	8
c. Objectives of the Reform	9
d. Strategy	10
Proposal for 'One UN' in Rwanda	10
a. 'One Programme': towards a results driven strategy.....	10
b. 'One Budgetary Framework': linking resources to strategic objectives.....	12
c. 'One Leader': One team with a coherent governance structure	13
d. 'One Office': improving organizational efficiency	15
e. Communication: forging a common identity.....	16
Roadmap	17
Annex 1 – Terms of References of the 'One UN' Steering Committee.....	18
Annex 2 – Terms of References of the Interagency Taskforce on 'One Programme' and 'One Budgetary Framework'	20
Annex 3 – ToR Operations Management Team 'One Office' Recommendation	22

Signature Page

By signing this document, we agree to the following key principles of the "One UN' Pilot", and commit to fulfill our responsibilities, as laid out in the document, to ensure the success of the "One UN' Pilot":

- **'One Programme'**: All UN agencies will work towards the common results defined in the UNDAF (including annexes), in accordance with the roles and responsibilities laid out therein, and through the coordination structures established to ensure adherence to the 'One Programme'.

- **One Budgetary Framework**: All UN agencies will ensure that core resources and vertical funds are fully aligned with the UNDAF. The responsibility for mobilizing and allocating additional resources, in accordance with agreed criteria, will rest with the UN Resident Coordinator.

- **'One Leader'**: All UN agencies recognize that the Steering Committee is the highest supervisory body of the "One UN' Pilot" and that the UN Resident Coordinator, as Chair of the UN Country Team, is responsible for ensuring that the "One UN' Pilot" is implemented in accordance with the Principles laid out in this document.

- **'One Office'**: All UN Agencies will do their utmost to improve efficiency and reduce transaction costs, notably by opting for pooled support services, where applicable and efficient, and by harmonizing procedures, reporting requirement and simplifying interactions with government and development partners.

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The 'One UN' in Rwanda at a glance

Objective:

The objective of the "One UN" pilot is to improve the impact, coherence, efficiency and positioning of the UN system in Rwanda to enable it to better help Rwanda meet the MDGs and Vision 2020.

Strategy:

Turn the funding driven operational logic, that has encouraged fragmentation, competition, and focus on projects, into a results driven logic through an incentives system that rewards coherence, performance and results.

One Programme

- UNDAF + annexes drives the "One Programme"
- UNDAF Theme Groups Ensure Coordination and peer review
- UN Policy Advisors guide/monitor UNDAF implementation

One Office

- Efficiency gains through pooled support services
- Lower transaction costs by harmonizing procedures
- Common premises for One UN to facilitate integration.



One Budgetary Framework

- Core resources and Vertical Funds aligned with UNDAF
- Additional resources mobilized by RC through Pooled Fund
- Allocation based on performance, and adherence to One UN framework

One Leader

- RC responsible for ensuring implementation of One UN
- UNCT responsible for achievement of UNDAF Results.
- An integrated communication strategy for the UN system

Communication

Internal

- Monthly e-newsletter to inform staff on changes and process
- Webpage for staff with essential information
- Newsbriefs and briefing materials for RC and UNCT.

External

- Coordinate communication strategies around MDGs
- Harmonise branding and publications at country level
- Provide information to partners through newsletters, website...

Background

a. International Context

Significant progress has been made in recent years on improving the amount, quality and focus of Official Development Assistance (ODA), starting with the Millennium Declaration (2000), which forged a global consensus around key development priorities (Millennium Development Goals), and the Monterrey Declaration on Development Financing. These high level engagements have been followed by important technical commitments on improving the quality and predictability of aid (Rome and Paris declarations), as well concrete engagements to increase ODA to the poorest countries (Gleneagles G8 pledge on debt cancellation, EU commitment to increase ODA to 0.56% of GDP by 2010, etc).

In 2005, the Secretary General's report 'In Larger Freedom: Towards Security, Development and Human Rights for All' laid out the broad strategic objectives of the UN reform and confirmed Development as one of the four pillars of the UN system (alongside security, human rights and humanitarian assistance). The key recommendations of this report were endorsed by Heads of State at the September 2005 World Summit, which reaffirmed the UN's central role in development, notably through its normative and technical functions, as well as its role in monitoring and coordination of development activities and acting as a convener of development partners.

While reaffirming the centrality of the UN system in the global development architecture, the World Summit also highlighted the inadequacy of the current system to deliver on the high level commitments that had been agreed upon in the Millennium Declaration and subsequent engagements. The report 'Delivering as One', which was published in November 2006, looked at ways of creating a UN system better equipped to respond the challenge posed by the MDGs, by reducing its fragmentation, duplication, high overhead costs, and lack of focus. The importance that the international community attaches to this issue is highlighted by the exceptionally high level of representation on the High Level Panel on System-Wide Coherence that produced the report recommendations, which included several prime ministers in exercise, as well as former heads of state.

b. UN Reform in Rwanda

In January 2007, Rwanda was selected as one of eight pilot countries¹ for 'One UN'. Around the same time the UN Country Team in Rwanda started elaborating its second United Nations Development Assistance Framework (UNDAF) for 2008-2012, thus providing the necessary programmatic coherence for the implementation of the 'One Programme' model in Rwanda. The objective of the 'One UN' pilot is to enable the UN system² to provide a more effective and coherent response to the needs of the Government of Rwanda and its Development Partners.

The consultation workshop on 'One UN', which was held in Akagera on 27 and 28 February 2007, marked the starting point of the 'One UN' in Rwanda where the basic lines of this note were set out and agreed by members of the UNCT, the Government of Rwanda and the

¹ Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay and Vietnam. The 'One UN' pilots have been chosen to represent a wide range of economic, demographic, geographic and political situations. Each pilot country will be responsible for defining the implementation modalities of the 'One UN' principles that are best suited to their particular context. As such, they will play an important role in testing different implementation modalities and providing feedback to ongoing intergovernmental discussions on structural reforms in the funding and governance of the UN system.

² The UN System in Rwanda comprises 10 agencies (UNDP, UNICEF, WFP, UNFPA, FAO, UNHCR, WHO, UNAIDS, UNECA, UNIFEM) with physical in-country presence, four agencies with in-country representation through UNDP (UNV, UNIDO, UN Habitat and UNCDF) and four non-resident agencies (IFAD, UNESCO, UNEP and ILO). In addition, the UN Country Team comprises two Bretton Wood Institutions (WB and IMF), as well as two non-development agencies (MONUC and ICTR), which are not part of the 'One UN' Pilot.

Development Partners (bilateral and multilateral donors). During the 'One UN' Retreat in Akagera it was decided that the UN in Rwanda should take important steps towards 'One Programme', 'One Budgetary Framework', 'One Leader' and 'One Office'.

The UN Country Team's effort to support the UN reform process in Rwanda started well before the High Level Panel recommendations, however. In 2000 the UN Country Team carried out its first Common Country Assessment (CCA), which was the basis for the development of a United Nations Development Assistance Framework, UNDAF (for the period 2002-2006), which in turn formed the basis of the programmes for all UN agencies in Rwanda. However, in the previous programming cycle, the UNDAF did not adequately translate into common programming and implementation, due to differing Headquarter requirements and lack of real incentives for improved coordination.

For the development of the second UNDAF, the UN Country Team has decided to push the reform further in order to allow for a better alignment of its programme on National Priorities. Consequently, it has been decided that the second UNDAF would be based directly on Rwanda's second Poverty Reduction Strategy Paper, the Economic Development and Poverty Reduction Strategy (EDPRS), rather than on a CCA³.

In addition, the UN Country Team has been active in promoting the Alignment and Harmonization process in Rwanda, based on the mandate conferred by the Paris and Rome Declarations. Through its active support to the cluster system, the Development Partners' Coordination Group (DPCG) and the annual Development Partners' Meeting (DPM), the UN Country Team has shown that it can be an effective broker and facilitator of the development process in Rwanda.

Vision for 'One UN' in Rwanda

The UN Charter and Universal Declaration of Human Rights, together with the seven core conventions, provide overall guidance to the UN system in Rwanda. The Millennium Declaration and the MDGs define its strategic operational objectives in the area of development, and constitutes the basis for holding the UN system accountable for delivering results. Vision 2020 and the Economic Development and Poverty Reduction Strategy (EDPRS) delineate the entry points for the UN system's programmatic engagement with the Government of Rwanda in the area of development assistance.

a. Value-Added of the UN system in Rwanda

The UN system has the mandate, neutral political positioning, convening power and role, policy expertise and technical capacity to support the Government of Rwanda in achieving its development objectives. The UN's principal value to Rwanda is not as a 'donor' but as trusted partner supporting Rwanda to fulfill its international obligations and design and implement an MDG-oriented national development strategy. In particular, the UN can help to improve the impact and efficiency of development assistance in the following areas:

- › **Donor Coordination:** The UN system has a natural role to play in the area of donor coordination, both because of its multilateral nature and perceived neutrality and because of the technical and normative role of its specialized agencies. The UN system can help improve the predictability of aid flows by acting as an impartial broker and a facilitator of the development dialogue between government and donors. In addition, the specialized agencies can play an important role in focusing the efforts of donors around agreed development objectives and leading the donor coordination around SWAPs and other coordination mechanisms.

³ All UN agencies had thus to ask for a one year funding gap to cover the interim period between the two UNDAFs. This is called the bridge program.

- › **Policy Advocacy and Resource Mobilization:** The UN system's normative and standard setting role gives it a unique entry point to influence policy upstream, both by providing policy advice to government on strategic planning issues and alignment of national policies with the MDGs. The UN also plays an important role in advocacy for international commitments on human rights and resource mobilization for development at country level.
- › **Technical Cooperation and Capacity Development:** There is a wealth of technical expertise contained in the various specialized technical agencies of the UN, both at country level and at regional and headquarter level. Even when the UN system does not contribute with substantive funding for implementation of development programmes, it can contribute with valuable technical expertise in the formulation, implementation and monitoring of those programmes. By working closely with government and other national counterparts, the UN system plays an important role in ensuring transfer of skills and capacity development at central as well as at district level.
- › **Implementation Support and Emergency Relief:** Finally, the UN plays an essential role at the level of implementation by filling short term capacity gaps or by complementing government capacity, including in sensitive areas such as procurement, elections and political governance, as well as management of pooled funding mechanisms. The UN system also provides surge capacity and emergency relief in crisis situations and in the case of humanitarian emergencies. It is important a better coordinated UN system can also help to strengthen vital linkages between development and issues such as security (e.g. through MONUC), human rights (e.g. ICTR and UNOHCHR) and humanitarian assistance (e.g. UNHCR, WFP).

b. Obstacles to UN system Impact in Rwanda

Despite the clear advantages conferred to the UN system by its mandate, its legitimacy and its vast pool of technical expertise, the UN system is not currently able to have the impact on development outcomes that would be required to help countries achieve the MDGs and other international commitments. Even in areas where the UN system is leading the normative effort, it is sometimes falling behind at an operational level. The recent survey on aid effectiveness carried out by the Government of Rwanda, for instance, showed that the UN system still falls far short of the targets set by the Paris Declaration with less than 20% of aid on budget and on plan. The survey also revealed weaknesses of the UN system in providing consistent and quality data regarding programme activities, as well as the slowness, multiplicity and complexity of UN procedures.

- › **Funding Driven Programming:** The budgetary problem lies at the heart of the UN system's current problems of efficiency and coherence. Changes in funding modalities have led agencies to pursue independent fund-raising strategies. Funding driven strategies have undermined the coherence of the UN's development system, by leading to inter-agency competition, overstepping of mandates and excessive focus on projects. *The resulting loss of effectiveness has, in turn, undermined trust in the organization and led to a relative decrease in resources, which further aggravates competition for resources and short-term fund-driven strategies.*
- › **Project based programming:** The UN system's mandate in the area of development is primarily normative – defining and advocating for international development objectives and standards – and technical – providing expertise to support and develop national capacity to plan and implement development strategies. Direct implementation should, in principle, be limited to cases of state failure (e.g. post-conflict situations) and cases where direct implementation is necessary to support the normative and technical functions (e.g. pilot projects for research, advocacy, etc.). In practice, however, competition for resources has sometimes meant that projects have become a means for agencies to raise funds. *Project choices are too often driven by donor priorities and*

visibility concerns with insufficient regard for alignment with high level strategic objectives or opportunity cost.

- › **Fragmentation:** Competition for funding and excessive focus on projects has led to a fragmentation of the UN system, which vastly increases transaction costs and the burden on recipient governments that often have to deal with many different agencies even within the same sector. Furthermore, fragmentation weakens the focus of the system's interventions, and hence the aggregate impact on specific development objectives. Fragmentation also makes it difficult to monitor activities and to assess the impact of development interventions on high level development outcomes or to account for the efficiency of spending, which is often spread over a number of different agencies. A recent baseline study carried out by the External Finance Unit of MINECOFIN, for instance, showed UN agencies run up to 30 parallel project implementation units (PIU) in Rwanda, 2/3 of all PIUs in Rwanda, and that the vast majority of its resources come in the form of stand-alone projects (only 15% of UN resources are on budget and aligned with national priorities).
- › **Effectiveness:** Fragmentation, as well as inherent rigidities have undermined the effectiveness and efficiency of the organization, leading, in some cases, to excessive overhead costs, duplication of operational support services and low implementation rates. Several UN agencies currently, for instance, have overhead costs in excess of 50% of total programme costs. According to the building plans for the UN house, the UN system currently has more than 400 staff in Rwanda, for a total budget of US\$30 million in 2005. This contrasts with bilateral and multilateral donors (and even government) who typically have only a fraction of the staff (e.g. the largest bilateral donor, DFID, has less than 50 staff) for programmes that are many times the size of the UN system (the World Bank's annual budget in Rwanda is over US\$120 million). Even when the UN's specific role in project implementation/management and in-country technical advice is taken into consideration, this poses the question of the UN system's efficiency and adequate positioning for upstream policy advice, since close to half of the staff is engaged in General Services, and only 10% is at P4 position or higher.

c. Objectives of the Reform

The proposed set of reforms aim to improve the impact, coherence, effectiveness and positioning of the UN system at country level, so as to better equip it to help Rwanda meet the challenge posed by the MDGs. Concretely, the reform will aim to enhance the UN system's ability to:

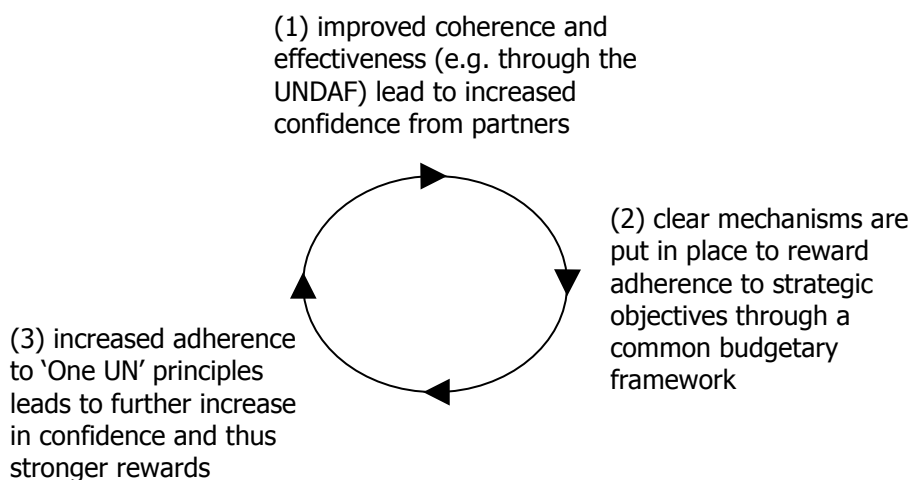
- › **Pursue strategic objectives:** solid programmatic, evaluation and reward mechanisms must be put in place to ensure a results driven management of operations guided by national development priorities and not by fund raising considerations or special interests.
- › **Intervene at the right level:** the UN must strengthen its capacity at the policy level in order to intervene in upstream policy dialogue and planning. Policy and planning capacity is also necessary in order to enable the system to move from a project based programming to one based strategic objectives.
- › **Make optimal use of Resources:** choice of interventions and allocation of resources should be based on a clear and transparent identification of needs, capacities, comparative advantage, and opportunity cost, so as to minimize duplication, competition and ensure coherence in the pursuit of the MDGs.
- › **Position itself to maximize value added:** the UN's positioning should maximize its value added in the effort to achieve the MDGs, by carefully drawing on the breadth and depth of its technical expertise without weakening its focus and by ensuring a seamless continuum between its normative, technical, political and humanitarian work.

d. Strategy

We recognize that, due to structural rigidities and vested interests, radical change will not be achieved overnight. At the same time, it is clear that profound change is in the system's long term collective interest. Hence the system faces a collective action problem, in which everyone recognizes the need for change, but is unwilling to make the first move for fear of having to carry a disproportionate burden of the change.

- *Donors and other partners, who have an interest in seeing a stronger and more effective UN in Rwanda, will thus have to help create the incentives that will help the system move in the direction of improved coordination and focus on results.*

The biggest challenge for the UN system will be to reach agreement on an initial critical mass of reforms to initiate a virtuous circle of change whereby improved confidence by partners can be used to create financial incentives for agencies to adhere more strongly to the 'One UN' framework and vice versa:



Proposal for 'One UN' in Rwanda

The objective of the proposal is to create a coherent, results-oriented strategy ('One Programme') guided by the MDGs, focused on national development priorities and based on a clear identification of comparative advantage, with linkages to budgetary allocations ('One Budgetary Framework'), managed through an integrated oversight structure ('One Leader') and implemented through a streamlined operational structure ('One Office').

a. 'One Programme': towards a results driven strategy

- *In Rwanda the 'One Programme' will be the heart of the 'One UN'. In order to be functional, as opposed to remaining on paper, the 'One Programme' has to be fully integrated with, and supported by management, monitoring and control mechanisms.*

The High Level Panel Report recommends that the 'One Programme' should have the following characteristics:

- Country-owned and signed off by Government, responsive to the national development framework, strategy and vision, including the internationally agreed development goals.
- Building on the United Nations Country Team's common country assessment or national analysis and reflecting the United Nations added value in the specific country context.
- Strategic, focused and results-based, with clear outcomes and priorities, while leaving flexibility to reallocate resources to changes in priorities.

- Drawing on all United Nations services and expertise, including those of non-resident agencies, in order to effectively deliver a multisectoral approach to development (with due attention to crosscutting issues).

- › **Programme Structure:** The recently developed UNDAF, including the annexes⁴ will be the driver for the 'One Programme' in Rwanda with the following characteristics:
 - the UNDAF will be completely aligned with the national objectives as defined in the EDPRS;
 - initially the UNDAF is composed of 5 key result areas (Governance, Education, Health, Environment and Social Protection), each of which is supported by a number of key UNDAF outcomes (e.g. decentralization, public sector reform, etc.). Under each UNDAF outcome, there are a several UNDAF outputs, corresponding closely to key operational results of specific agencies;
 - there should ideally be one responsible agency (no more than 2) for each UNDAF output. If there is more than 1 agency per output, one should be designated as lead agency. The responsible agencies may choose to work with other agencies and partners for specific technical inputs;
 - the UN Country Team will designate a lead agency per UNDAF outcome. The lead agency will be responsible for elaborating the joint implementation plan, and implementation reports.

- › **Management Mechanisms:** Each UNDAF result is supported by a coordination mechanism called an UNDAF thematic group, regrouping representatives of the lead agencies for the UNDAF outcomes under the UNDAF result. The UNDAF thematic group may also invite other technicians and partners involved in their sector. The UNDAF Thematic Groups will meet at key moments of the UNDAF cycle to ensure the coherence and consistency of the programme, such as:
 - Elaboration of the UNDAF;
 - Annual review of the UNDAF and updating of outputs;
 - Peer review of UNDAF outcome reports and budget proposals;
 - Ongoing monitoring of programme implementation, including corrective measures – where applicable – to ensure achievement of agreed results.

- › **Policy Formulation:** If the 'One UN' is to move effectively from a funding driven strategy to a results driven strategy, it will be necessary to strengthen substantially the policy advisory capacity of the system, so as to enable the system to elaborate coherent strategies based on solid analyses and to speak with one voice on key policy issues. Hence, we propose the creation of UN Policy Advisory positions that will be fully integrated into the UNDAF management structure and will play a key role in ensuring the linkage between 'One Programme' and 'One Budgetary Framework'.
 - The UN Policy Advisors will act as chairs of the UNDAF Thematic Groups. They should be nominated by the UN Country Team and should be chosen from one of the lead agencies in the sector. The advisors will remain within their home agency but will work in close collaboration with the policy advisor in the Office of the Resident Coordinator. The post of UN Policy Advisors could help pushing forward the idea of division of labor within the UNCT, where different agencies take on a lead role (rather than an inflated coordination system as such);
 - A Senior Policy Advisor in the Office of the Resident Coordinator will coordinate the work of the UN Policy Advisors and will report to the UN Country Team.

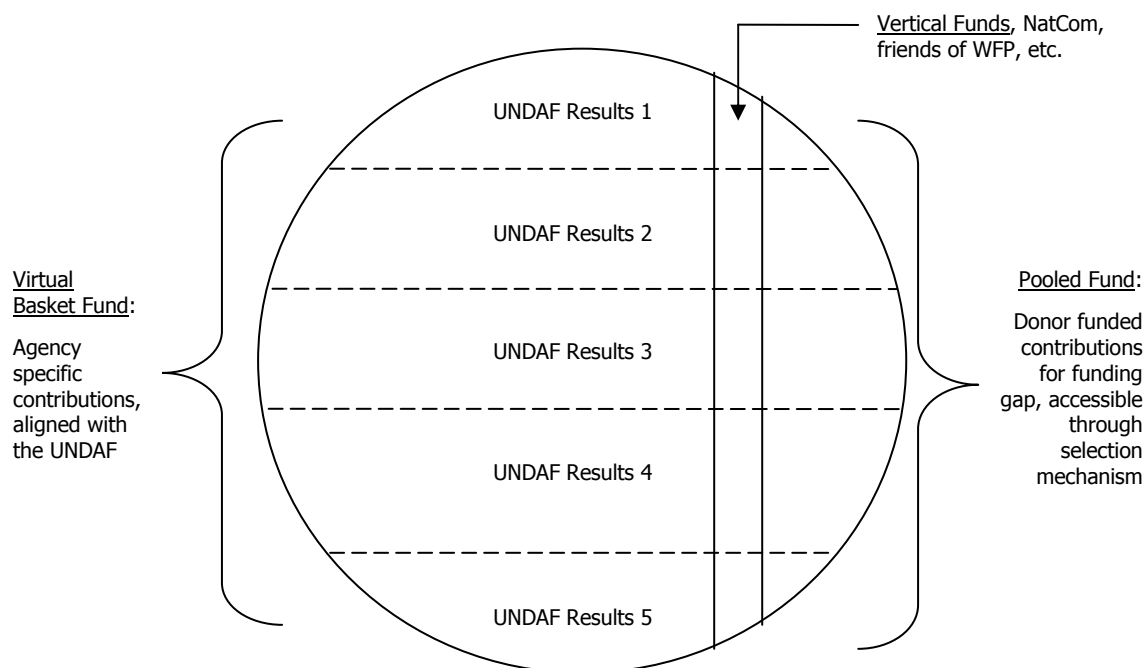
⁴ The annexes to the UNDAF should capture important activities of the UN system that do not fall into the five main areas of work identified by the UN system on the basis of national development objectives and UN mandates. Such activities may, for instance, include specialized normative work and research work carried out by specialized agencies. These should not represent more than 20% of the overall programme.

b. 'One Budgetary Framework': linking resources to strategic objectives

- *Next to the 'One Programme' the 'One Budgetary Framework' is the cornerstone of 'One UN', providing the incentive mechanisms to encourage agencies to be results oriented and work within the 'One Programme'.*

The High Level Panel Report recommends that the One Budgetary Framework should have the following characteristics:

- Transparency, management, and the effective implementation of the One Country Programme through one budgetary framework.
 - Funding should be linked to the performance of the United Nations Country Team preparing and implementing a strategic One Country Programme.
 - The budget should be completely transparent, showing clearly the overheads and transaction costs of the United Nations and all of its funds, programmes and specialized agencies in the country.
- **Core Resources:** Each agency's core resources will remain within the control of the agency, but will be spent in accordance with the 'One Programme'. Thus the core resources will operate like a 'virtual basket fund', in the sense that they will be 'on plan', aligned with the 'One Programme' UNDAF framework but the UN Country Team will be responsible for identifying the funding modality (or combination thereof) that is most appropriate/ effective for achieving the UNDAF outcome.
 - **Fund Raising:** The Resident Coordinator will be responsible for fund raising at country level. Under the leadership of the Resident Coordinator, the UNCT will work together to mobilize a pool of funds to cover the funding gap in the UNDAF, i.e. the 'One Programme'. In order to prevent funding driven strategies, it is crucial that sufficient funding is provided to the system from the outset to achieve the strategic objectives defined in the 'One Programme'. In return, agencies would commit not to pursue independent fund raising at country level. Exception is made for:
 - Vertical funding sources (e.g. UNICEF National Committees, Friends of WFP, Thematic Trust Funds). Agencies need to ensure that vertical funding sources are aligned with UNDAF outcomes;
 - Humanitarian emergencies, which should be responded to through appropriate mechanisms, including the Central Emergency Response Fund and the CAP.
 - **Pooled Fund:** The funding gap to achieve the UNDAF results will be covered by a pooled fund that will be set up at country level by donors. The pooled fund will play a major role in the achievement of the 'One UN' objective of having a coherent, results oriented and effective strategy at country level, as it can be designed so as to create incentives for agencies to work within the 'One Programme'. To be effective, the pooled fund should generate tangible benefits for agencies that adhere to the 'One Programme' and should reward programmes that are more effective at achieving results.



- > **Allocation of Funds:** Allocation of funds in the pooled fund will be done in a transparent manner on the basis of commonly agreed criteria, that should be designed so as to promote the objectives of the 'One UN' reform (impact, coherence, efficiency and positioning) and other international commitments (including aid effectiveness, alignment on national priorities, etc.). The allocation mechanism should reward programmes that successfully meet the pre-defined criteria and work towards 'delivering as one'. The Resident Coordinator will be responsible for submitting a funding proposal⁵ for the pooled fund that reflects the objective performance assessment of programmes in terms of pre-defined criteria (see 'Reporting' below).

c. 'One Leader': One team with a coherent governance structure

- *The 'One UN' must be supported by a coherent governance structure, with clear reporting lines and a clear decision-making system, which ensures that the system is able to speak with one voice and be guided by common objectives.*

The High Level Panel Report recommends that the 'One Leader' should have the following characteristics:

- Resident coordinator authority to negotiate the One Country Programme with the Government on behalf of the entire United Nations system and to shape the One Country Programme (including the authority to allocate resources from pooled and central funding mechanisms).
- Clear accountability framework for resident coordinators and an effective oversight mechanism for the resident coordinator system.
- Resident coordinator authority to hold members of the team accountable to agreed outcomes and for compliance with the strategic plan. The resident coordinator should also be accountable to the members of the United Nations Country Team.
- Strengthened resident coordinator capacity with adequate staff support to manage United Nations Country Team processes and ensure effective dialogue and communication with

⁵ The Senior Policy Advisor will assist the RC in preparing the funding proposal on the basis of budget proposals submitted by lead agencies and an objective assessment of programme performance (the assessment will be done by UN Policy Advisors on the basis of commonly agreed performance criteria). The UNDAF Thematic Groups are responsible for ensuring the quality and consistency of programmes with UNDAF results by peer-reviewing budget proposals and progress reports submitted by the lead agencies.

partners.

- Competitive selection of resident coordinator candidates, drawn from the best talent within and outside the United Nations system.

The UNCT in Rwanda has already made significant progress in the implementation of the 'One Leader' concept. The UN Resident Coordinator is recognized by all Heads of Agencies as the team leader. For all UN related issues, activities or events or even Agency-specific activities which have broader UN relevance, the UN speaks with one voice through the RC or through a Head of Agency, on behalf of the whole team.

- › **Code of conduct:** A code of conduct between the UNCT and the UN Resident Coordinator will be elaborated to clearly lay out the roles and responsibilities of the UN Resident Coordinator and UN Country Team within the 'One UN'. Principles agreed at Akagera include:
 - The UN Resident Coordinator will carry out high-level diplomatic functions on behalf of UN and will be the primary contact with the Head of State. If there is an issue to be discussed that involves one of the participating agencies, the agency head will participate with the UN Resident Coordinator. (In an emergency situation, this would be relaxed to ensure the necessary decision making and access). Agency heads will continue to interact directly with the relevant sectoral ministers;
 - To ensure that there is no potential for, or perception of, a conflict of interest, there should be a clear institutional firewall between the UN Resident Coordinator and UNDP, as stated in the High Level Panel Report. Therefore a Country Director of UNDP will fulfill all UNDP responsibilities (similar to other agencies). Ideally, the UN Resident Coordinator's function should be performed on a full-time basis, and the UN Resident Coordinator should not have any operational implementation responsibilities;
 - The UN Resident Coordinator will continue to be selected on the basis of merit and competition drawn from the best talent within and outside the United Nations system;
 - He/she is nominated by the Secretary-General and accredited by the President of the Republic of Rwanda.
- › **Roles and responsibilities** of the UN Resident Coordinator and UN Country Team, as agreed at Akagera:
 - the UN Resident Coordinator is the leader and the coordinator of the 'One Programme';
 - the UN Resident Coordinator will coordinate UNDAF development and supervise the implementation of 'One Programme'. The agency representative will take responsibility for specific outcomes of the UNDAF results matrix;
 - the UN Resident Coordinator will coordinate fund mobilization for 'One Programme' and allocate resources mobilized for funding gap;
 - the UN Resident Coordinator will oversee Monitoring and Evaluation;
 - the UN Resident Coordinator will assess the UNCT members while the agency representatives will assess the UN Resident Coordinator. This will be done using the already existing 180 degree assessment;
 - the agency representatives will promote closer collaboration within the UNCT.
- › **Oversight of the 'One UN' in Rwanda:** A Steering Committee⁶ will be instituted to guide the implementation of 'One UN' in Rwanda. The Steering Committee will play a crucial role, especially in the beginning of the reform process, in the following areas:
 - Ensuring that stakeholders arrive at a common understanding of 'One UN' concept and agree on a roadmap for its implementation;
 - Ensuring that the 'One Programme' is properly aligned with national priorities as defined in Vision 2020 and the Economic Development and Poverty Reduction Strategy (EDPRS) and with the Millennium Development Goals (MDG's);

⁶ See annex 1 for the ToR of the Steering Committee

- Reviewing the One Programme in order to ensure that the One Programme shows clearly how the UNDAF outcomes will be achieved;
 - Monitor the progress of the implementation of the 'One Programme' and propose priorities for corrective measures, where appropriate;
 - Serve as a forum for the consideration of issues that may impede the implementation of 'One UN' and propose ways to address identified obstacles;
 - Liaise, as required, with UN Headquarter-based decision-making bodies tasked with supporting the 'One UN' implementation in pilot countries.
- › **Reporting:** The UN Agencies in Rwanda will have a dual reporting line. They will continue to report to their Headquarters on administrative matters and use of financial and human resources, and will report to the Resident Coordinator, and be held accountable by the UNCT, on programme results (including agreed efficiency and performance criteria) and progress towards UNDAF outcomes assigned to their agencies (see above).
- The UN Resident Coordinator will report annually – on behalf of the UNCT – to the Steering Committee on the results of the 'One UN' Programme', on the basis of the objective assessments submitted by the UN Policy Advisors. In order not to overload reporting lines, this report will be based upon the annual Report of the Resident Coordinator;
 - On basis of this objective assessment, the UN Resident Coordinator will attach to the report a yearly funding proposal to the Steering Committee. As chair of the UN Country Team, the UN Resident Coordinator is responsible for ensuring that the proposal accurately reflects needs, performance and capacities within the UN system.

d. 'One Office': improving organizational efficiency

- *The 'One Office' will ensure that the programme is implemented in the most efficient way possible, maximizing synergies between agencies and minimizing overheads.*

The High Level Panel Report recommends that the 'One Office' should have the following characteristics:

- One integrated results-based management system, with integrated support services.
- Joint premises (where appropriate).
- A common security infrastructure and clear lines of accountability.

- › **Common premises:** The UN System in Rwanda has been exploring the possibility of having common premises for some years. A plan for one joint office in Rwanda was launched in 2006. The UNCT has recently reconfirmed its commitment in principle to common premises, as a way of promoting a more unified presence at the country level, reducing costs, and building closer ties among UN staff. Cost-effectiveness for UN organizations should, however, be the leading principle for eventual decision regarding common premises.
- The plan of the UNCT consisted of building new premises in Kigali for all UN Agencies. These premises will be located on land provided by the Government of Rwanda. The construction modality will be Turnkey and contractual modality will be DBOT (Design, Build, Operate, and Transfer);
 - A location has already been defined, i.e. Plot 1754 (4.9 Hectares) at Gisozi - Kagugu (North-West of the International Airport of Kigali).
- › **Common Services:** Common services will play an important role in improving the efficiency of the UN system and reducing overhead and administrative costs. The progress on efficiency should be closely monitored and assessed in terms of clear and transparent performance criteria defined by the OMT. The UN System in Rwanda already has common security with clear lines of accountability. Also, a common dispensary is already in place. Other proposed areas of cooperation include a joint travel agent, a shared email platform, joint procurement arrangements, an inter-agency recruitment

unit, ... The OMT in Rwanda will be asked to propose a plan of action⁷ for streamlining procedures, improving business processes, creating synergies and increasing efficiency through joint services and operations. The outputs of the action plan⁸ should:

- **identify areas for common services**, and efficiency gains;
- **identify best practices** in business processes and propose cross-agency solutions;
- identify opportunities for **joint logistical/operational support** to government to implement national policies.
- **Monitor performance** in terms of agreed performance criteria and report on progress to reduce overhead costs, administration costs, etc.

Further progress can be made if some corporate inter-agency commitments and agreements are reached at HQ level. This is especially true in the areas of standardizing and harmonizing IT, financial and accounting procedures, human resource management and procurement.

e. Communication: forging a common identity

Given the comprehensive nature of the proposed reform, the reform process must be supported by a solid communication strategy, in order to ensure that the changes are fully understood by staff and partners. The communication strategy should also help to forge a common identity for the UN system (e.g. standardizing of communications material, branding, etc.), and help the system to speak with one voice on important issues.

- › **Internal communications** (within and amongst the different UN agencies):
 - Coordinate the work of communications officers in the different UN agencies, and ensure coherence in communications across agencies;
 - Prepare monthly e-newsletters to hold staff informed about the reform process and inform about key steps in the implementation (e.g. UNDAF preparation, etc.);
 - Setting up a 'One UN' section on Rwanda UN website with key information and documents about the reform.

- › **External communication** (with government, development partners, Head Quarters):
 - Ensure regular updating of the UN webpage the 'One UN' webpage;
 - Prepare regular (e.g. quarterly) news letters, or other communications materials for communication with donors, government and other stakeholders;
 - Prepare and implement a harmonized publications policy to ensure that all major documents produced by the UN system are readily available in a standardized format;
 - Taking advantage of experiences and best practices from other pilots (e.g. through instruments being developed by UNDG and others).

To implement this strategy, the Office of the Resident Coordinator should be strengthened with a communication specialist as soon as possible. This Communication Specialist will be working in close collaboration with the agencies' communication officers. This should also contribute to coordinating the UN voice in Rwanda.

⁷ At a Common Services Workshop, the OMT in Rwanda identified the following areas of potential common services: fuel, travel, UN House, garage, security, cleaning, VSAT, car wash, procurement, customs, duty free shop, office equipment/supplies, and transport.

⁸ See annex 4 for the letter to the OMT of the Heads of Agency

Roadmap

a. Key Milestones

- 'One UN' Steering Committee established ASAP
- Concept note for 'One UN' summarizing agreements and implementation steps By mid-March
- UNDAF finalized and subsequently approved by government, including alignment against EDPRS By mid-March
- ToR for UN Policy Advisors and Senior Policy Advisor elaborated by inter-agency Taskforce By mid April
- One Programme and 'One Budgetary Framework' management modalities and linkages defined by interagency task-force. By end April
- Detailed allocation criteria and mechanisms defined by interagency Taskforce for One Budgetary Framework (including disbursement mechanisms, joint management mechanisms, monitoring, audits, etc.) By end May
- Communication strategy ready and implementation initiated By mid June
- Senior Policy Advisor Recruited and UN Policy Advisors nominated by agencies and available to work. By end June
- Roadmap for establishment of pooled fund and initiation of the 'One Programme' in 2008 is laid out by inter-agency Taskforce. By end July
- Country Programme Documents approved by Boards September
- Common Country Programme Action Plan for all agencies completed End 2007
- Agreement on Code of Conduct for RC and UNCT members regarding 'One Leader' and 'One Team', vis-à-vis implementation of 'One Programme' and 'One Budgetary Framework' End 2007
- 'One Office' 'quick wins' identified and implemented As soon as possible

Annex 1 – Terms of References of the 'One UN' Steering Committee

'One UN' Steering Committee in Rwanda TERMS OF REFERENCE

Mandate of the Steering Committee

In November 2006, the UN Secretary General's High Level Panel on System-Wide Coherence produced a set of far-reaching recommendations for UN reform aimed at improving the coherence and effectiveness of the UN system at country level. The report highlights that the UN system is not currently equipped to respond to the challenge posted by the Millennium Development Goals, due to fragmentation, duplication, high overhead costs, and lack of focus.

In January 2007, Rwanda was selected as one of eight pilot countries where the 'One UN' models (one country, 'One Office', 'One Programme', 'One Leader', 'One Budgetary Framework') will be tried out. Around the same time the UN Country Team in Rwanda started elaborating its second Common Development Assistance Framework (UNDAF) for 2008-2012, thus providing the necessary programmatic coherence for the implementation of the 'One Programme' model in Rwanda.

A 'One UN' consultation workshop was held in Akagera, Rwanda on 27 and 28 February 2007 involving the UNCT, the Government of Rwanda and the development partners/donor community. At this meeting it was decided that a Steering Committee would be instituted to guide the implementation of the 'One UN' in Rwanda.

Composition of the Steering Committee

The membership of the Steering Committee will be limited to 11 representatives from three key stakeholder groups to ensure timeliness and efficiency of guidance and decision-making:

- 4 representatives of the Government of Rwanda, including a representative from the Ministry of Finance and Economic Planning (designated chair);
- 4 representatives of the UN System in Rwanda including:
 - two representatives from the Executive Committee Agencies and
 - two representatives from UN Specialized Agencies;
- 2 representatives of the development partners/donor community;
- the UN Resident Coordinator.

The Steering Committee will be chaired by the representative of the Ministry of Finance and Economic Planning (MINECOFIN).

The selection of members representing the different Steering Committee stakeholders will be the responsibility of the respective stakeholder groups. Nominations for membership should be submitted to the Secretariat of the Committee by

It is imperative that the members of the Steering Committee represent their institutions at a high level due to the importance and sensitivity of the issues addressed. The members of the Steering Committee are responsible for communicating and sharing information with their respective, larger stakeholder groups.

Purpose of the Steering Committee

The Steering Committee will in the mediate term play a key role to guide the overall design and endorsement of the 'One UN' in Rwanda through the following functions:

1. to arrive at a common understanding of the 'One UN' concept and agree on a roadmap for its implementation;
2. to ensure alignment of the 'One Programme' with national priorities as defined in Vision 2020 and the Economic Development and Poverty Reduction Strategy (EDPRS) and with the Millennium Development Goals (MDG's);
3. to review the One Programme in order to ensure that the One Programme is closely aligned with UNDAF Outcomes;
4. to monitor the progress of the implementation of the 'One Programme' and propose corrective measures, where appropriate;
5. to serve as a forum for the consideration of issues that may impede the implementation of the 'One UN' and propose ways to address the identified obstacles;
6. to liaise, as required, with UN Headquarter-based decision making bodies tasked with overseeing the 'One UN' implementation in pilot countries.

Following the steps forward made to the 'One UN', the Steering Committees role will change to be one of monitoring and follow up. It will be a forum where on an annual basis monitoring dialogue is set up to help the UN, the Government and the Development Partners oversee the overall progress in the 'One UN'.

Organization of the meetings

- The meetings of the Steering Committee will be convened by the Office of the UN Resident Coordinator with guidance of the Chair of the Steering Committee;
- The Steering Committee will gather at least every two months;
- The Steering Committee will take decisions by consensus;
- The Office of the UN Resident Coordinator will act as a secretariat for the Steering Committee and will support the Steering Committee in organizing, preparing and follow up of meetings.

Review of the Terms of References

The Terms of References can be reviewed if the Steering Committee deems it necessary.

Annex 2 – Terms of References of the Interagency Taskforce on 'One Programme' and 'One Budgetary Framework'

Objective

- The Interagency Taskforce will be responsible for working out the operational mechanisms for the implementation of the 'One Programme' and 'One Budgetary Framework', including simple operational guidelines and tools for technicians involved in the implementation of 'One UN';
- Throughout this process, consideration should be given to simplification and harmonization of existing procedures (e.g. harmonization of reporting procedures, merging of project audits, etc.) in order to prevent the creation of an additional bureaucratic layer for UN agencies.

Tasks and Outputs

The interagency Taskforce will be responsible for:

1. Elaborating a detailed work plan;
2. Identifying necessary support, including technical assistance and HQ missions;
3. Estimating the cost of the required support and submitting a budget to UNCT.

In view of the achievement of the following outputs:

- (a) A detailed description of 'One Programme' management mechanisms, including
 - i. Coordination mechanisms;
 - ii. Monitoring mechanisms;
 - iii. Reporting mechanisms;
 - iv. Peer review mechanisms;
 - v. Enforcement mechanisms and incentives;
 - vi. Project elaboration and approval procedures;
 - vii. Links to budgetary allocations (e.g. annual reports link to performance evaluation);
 - viii. Elaboration of clear guidelines on management of UNDAF outcome by lead agencies, including format and modalities for joint financial and results reports, joint audits, etc.;
 - ix. Identification of required waivers from HQ for implementation of 'One UN' (e.g. waivers for incompatible reporting requirements, etc.).
- (b) A detailed description of the 'One Budgetary Framework' management mechanisms, including detailed descriptions of the following elements:
 - i. Objective evaluation criteria in the areas of Impact, Coherence, Efficiency, and Positioning;
 - ii. Guidelines for elaboration of budget proposals and for submission of applications for funding to the Pooled Fund;
 - iii. Evaluation procedures and reporting mechanisms;
 - iv. Fund allocation mechanisms and description of the budget elaboration, evaluation and approval steps in a timeline;
 - v. Disbursement mechanisms (e.g. HACT, direct payment, pooled funding, etc.), including responsibilities and criteria for choosing adequate disbursement mechanisms;
 - vi. Elaboration of clear rules on utilization of core funds and pooled funds, including definition of nature and level of overhead costs;
 - vii. Setting up of a common database for results based management of one budgetary framework.

Composition and Reporting

- The Interagency Taskforce will work under the direction of the Resident Coordinator and will report to the UN Country Team on a quarterly basis or as relevant until all requested outputs have been produced;

- The Resident Coordinator will designate an executive chair for the Interagency Taskforce, who will ensure the management and execution of day to day activities;
- The Interagency Taskforce will be composed of 4 technicians nominated by the UN Country Team from willing agencies, with due regard for balanced representation of agencies, availability and knowledge of UN system programmes and procedures.

Annex 3 – ToR Operations Management Team ‘One Office’ Recommendation

Letter to the OMT on ‘One Office’

Background

In November 2006, the UN Secretary General’s High Level Panel on System-Wide Coherence produced a set of far-reaching recommendations for UN reform aimed at improving the coherence and effectiveness of the UN system at country level. The report ‘Delivering as One’ highlights that the UN system is not currently equipped to respond to the challenge posted by the Millennium Development Goals, due to fragmentation, duplication, high overhead costs, and lack of focus.

In January 2007, Rwanda was selected as one of eight pilot countries (together with Albania, Cape Verde, Mozambique, Pakistan, Tanzania, Uruguay and Viet Nam) where the ‘One UN’ model (one country, one office, one programme, one leader, one budgetary framework) will be tried out. Around the same time the UN Country Team in Rwanda started elaborating its second United Nations Development Assistance Framework (UNDAF) for 2008-2012, thus providing the necessary programmatic coherence for the implementation of the ‘One Programme’ model in Rwanda.

On 27 and 28 February 2007 the UNCT gathered in Akagera, Rwanda to set the first steps for ‘One UN’. On 28 February 2007 the UNCT was joined with several representatives of the Government of Rwanda and of the donor community to give their comments on the UNCT proposals.

Towards ‘One Office’ – Towards Common Premises

One of the main pillars of ‘One UN’ is the ‘One Office’. During the retreat in Akagera the UNCT decided to move fast to achieve ‘One Office’ in Rwanda. The UN in Rwanda already achieved several steps to achieve ‘One Office’ or ‘Common Premises’. The UN System in Rwanda has already a common security and common dispensary.

However the UNCT proposes to go further and to assess areas for potential further cooperation and efficiency. Areas of cooperation could be a joint travel agent, a shared email platform, joint procurement arrangements, an inter-agency recruitment unit, amongst others.

Already in May 2002 during a Common Services Workshop, the OMT in Rwanda identified the following areas of potential common services: fuel, travel, UN House, garage, security, cleaning, VSAT, car wash, procurement, customs, duty free shop, office equipment/supplies, and transport.

Question to the OMT

The UNCT is therefore asking the OMT to provide a plan of action on which areas the UN System in Rwanda can work together and how this cooperation can be achieved. The plan of action should be presented to the Heads of Agency on their meeting on 14 March 2007.

The output of the plan should:

- review current operations to **identify areas for common services**, etc.;
- review business processes to **identify best practices** and propose cross-agency solutions;
- review programmes to identify opportunities for **joint logistical/operational support to government** to implement national policies.

Support to the OMT

- If the OMT evaluates that a refresher 3-day Common Services Workshop is needed, it can be arranged.
- On the website of UNDG (www.undg.org) in the section of the Common Services, good practices from other countries and more details can be found.
- A web-based, on-line UN CS Management System has been developed and introduced in a number of countries on a pilot basis. The system is designed to primarily support the in-country management, transparency, accountability and oversight of agreed Common Services. The system also addresses the issue of UNCT accountability to UNDG on results achieved. Additionally, the system facilitates the global on-line exchange of experience between UN Country Teams and Operation Management Team. The user-friendly system has been designed in such a manner that it only requires entry and up-loading of data readily available at country level, under the assumption that the UNCT and OMT have made full use of the tools provided at the UNDG Common Services Workshops, including the full usage of the Process Approach Model. Annexed can be found a brief one-page description of the system and its use.
- A section of the CS Management System is intended to record the planning for financial results and the subsequent follow-up on the actual realization of results. To facilitate the usage of this facility, a CS Guidance Note on Financial Planning and Reporting is annexed. You may find the note useful for measuring efficiency gains.