

MULTI-DONOR TRUST FUND OFFICE

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Quarterly Newsletter

April – June 2010, Issue 6



UNITED NATIONS
DEVELOPMENT GROUP



Key Figures

- US\$4.9 billion total commitments
- US\$4.6 billion total deposits
- US\$3.7 billion transferred to Participating Organizations
- 54 Donors/Partners
- 42 Participating Organizations
- Operating in 82 Countries

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MDTF Office Mission

To provide transparent and accountable fund management services to the United Nations system to enhance its coherence, effectiveness and efficiency.

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Share your feedback!

Dear Reader,

During the second quarter of 2010, the MDTF Office, in collaboration with Participating UN Organizations and UN Country Teams, focused on the preparation of the 2009 MDTF consolidated annual progress reports. Through improvements in standardization, streamlining and automation of the reporting process, the progress reports and accompanying financial statements were issued significantly earlier compared to 2008. This is quite notable given the significant increase in the number of MDTFs and JPs reported.

In mid-June the High Level Tripartite Conference on 'Delivering as One' (DaO) was held in Ha Noi, Viet Nam, which I had the opportunity to attend. As reported later, a recurring message of the conference was that the DaO is a nationally owned and led process that is making the UN system more responsive to national needs and priorities. The DaO approach was endorsed as a critical element of the UN reform agenda which is making the old way of doing business no longer an option.

Similarly, Administrator Helen Clark's statement to the UNDP/UNFPA Executive

Board highlighted the progress and challenges of the DaO and stated, "DaO would require the full and unequivocal support of member states and the full UNDG." Her statement to the Board and the 2010 Annual UNDP report referred to the MDTF Office's transparent and accountable fund management services to the UN system.

Reflecting on the 2009 annual reports that the MDTF Office has produced and the outcome of the Ha Noi DaO conference, what is clear is that MDTFs have become important complementary financing tool of the UN system that channel funds towards a strategic vision that supports the achievements of national and global priorities. This is demonstrated by both the steady growth in UN MDTFs and the encouraging results emerging, which can be seen on the MDTF Office GATEWAY.

As of 1 August, we welcome you to our new offices located at 730 Third Avenue, 20th floor (Teachers Building).

Bisrat Aklilu, Executive Coordinator,
MDTF Office, BOM, UNDP

New Multi-Donor Trust Funds

Common Humanitarian Fund for Somalia (CHF-Somalia)

The Common Humanitarian Fund for Somalia (CHF-Somalia) was established in June 2010 to up-scale the existing Somalia Humanitarian Response Fund (HRF) to a larger and more strategic CHF. Similar to the other CHFs (in Sudan, DRC and CAR), it is a pooled funding mechanism that will

enable the Humanitarian Coordinator (HC) to strategically use the diverse capacities of national and international NGOs and UN agencies to provide a timely and need-responsive humanitarian assistance. The Netherlands and Denmark have become the first donors to CHF-Somalia with commitments of \$7.3 million and \$4.1 million, respectively. The HC has already finalized the first allocation amounting to

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about \$20 million with \$10 million allocated to NGOs which will be transferred as soon as the donor contributions are received. More info on CHF-Somalia at: <http://mdtf.undp.org/factsheet/fund/HSO10>

UN-Indigenous Peoples Partnership (UNIPP)

A new global Multi-Donor Trust Fund, the UN-Indigenous Peoples Partnership (UNIPP), was recently established by ILO, OHCHR and UNDP. It supports governments and indigenous peoples in their efforts to establish consultative and participatory processes that will contribute to strengthened democratic institutions, equality and human development.

UNIPP, the first global inter-agency initiative with a programmatic focus on indigenous peoples at the country level, welcomes the participation of other UN-system agencies and organizations that are interested in contributing to its goals. The initiative comes at an opportune moment with the adoption of the UN Declaration on the Rights of Indigenous Peoples by the UN General Assembly that has created momentum and an enabling environment for the promotion of the rights of indigenous peoples around the world. The UN Declaration calls for the UN system and governments to contribute to the implementation of its provisions through financial and technical cooperation. The UN Declaration and the ILO Convention 169 offer a solid framework for the implementation of joint country programmes that can make a difference in the lives of indigenous peoples and societies at large. The priority areas of intervention include the promotion of frameworks for conflict prevention, support to legal and policy review and reform, and support to the strengthening of indigenous institutions that can engage more effectively in policy and governance processes.

More information on the UNIPP can be found at: <http://mdtf.undp.org/factsheet/fund/IPP00RF00>

UNDG Haiti Reconstruction Fund (UNDG HRF)

The United Nations Development Group Haiti Reconstruction Fund (UNDG HRF) is an integral part of the Haiti Reconstruction Fund (HRF) established at the request of the Government of Haiti (GoH) in March 2010, few months after the devastating earthquake that hit the country on 12 January

2010. The role of the HRF is to support the GoH's post-earthquake Recovery Plan for the Reconstruction and Development of Haiti. While the International Development Association (IDA) of the World Bank Group will serve as the Trustee and Fiscal Agent for the HRF, the Fund relies on three main Partner Entities for channeling resources to implementing agencies: the Inter-American Development Bank (IADB), the World Bank and the United Nations Development Programme (UNDP) through the Multi-Donor Trust Fund Office (MDTF Office) acting as the Administrative Agent of the UNDG HRF on behalf of the Participating UN Organizations.

UNDG HRF priority programmes will be implemented by UN Organizations, in collaboration with government entities, international and national Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs) in priority areas outlined in the GoH Recovery Plan and endorsed by the Interim Haiti Reconstruction Commission (IHRC).

At the request of the IHRC and under the leadership of the UN Deputy Special Representative of the Secretary-General/Resident Coordinator, the UN Country Team prepared a consolidated package of 12 UN proposals that were submitted for consideration by the IHRC ahead of its first Board meeting on 17 June 2010. The proposals amount to a total of \$233 million of quick impact interventions in the areas of: Health; Education; Food Security; Rehabilitation of infrastructure; Support to return of the Diaspora; Youth Engagement; Rehabilitation of cultural services; Mapping; and Public Administration.

More information on the UNDG HRF can be found at: <http://mdtf.undp.org/factsheet/fund/HRF00>

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Updates from HQ

Hanoi “Delivering as One” High Level Tripartite Conference



The High Level Tripartite Conference on Delivering as One (DaO) was held in Ha Noi, Viet Nam, 14-16 June. It brought together over

260 participants including the 8 DaO Pilot Countries as well as 15 other countries that have already adopted the DaO approach for United Nations (UN) operations, representatives of all the key MDTF supporting donors including the UK Minister of State for International Development, the Asian Development Bank and the World Bank. The UN delegation, led by Dr. Rose-Asha Migiro the UN Deputy Secretary-General (DSG) and Ms. Helen Clark the UNDG Chair, included the UNDG Advisory Group members, DOCO and the MDTF Office.

The recurring theme underlined by all participants – national governments, donors and the UN – was that the preliminary country led evaluations of the DaO One UN Pilots have shown that the DaO mechanism is nationally led and is leading to better alignment of UN operations to national priorities and is bringing enhanced coherence and effectiveness to UN activities and support. It was widely felt that the DaO approach, while not being a ‘one size fit all’ is best suited to supporting governments achieve internationally agreed development goals, such as the MDGs. The Conference also reaffirmed the DaO approach’s relevance to middle-income countries.

The foundation for the DaO approach was said to be the One Budgetary Framework and One Fund, which supported coordinated resource mobilization resulting in reduced

competition and fragmentation among UN agencies. While such values and results were envisioned in the design of the DaO approach, it is encouraging that they are being validated by the country led evaluations which has led to significant growth in the voluntary adoption of the DaO by many countries.

Another consistent message given by the Deputy Secretary-General, the UNDG Chair, all national governments and donors was that the old way for the UN of doing business is no longer an option.

In closing the conference, the UN DSG stated: “Pilot countries lead the way in operationalising the vision of the UN system at the country level. Many of the successful changes need to be institutionalized in order to be sustainable.”

The Statement of Outcome and Way Forward that was adopted by the Conference concluded that the outcome evaluations undertaken by the DaO UN Pilots have show that the DaO mechanism is nationally led, leading to better alignment of UN operations to national priorities, and bringing enhanced coherence and effectiveness to UN activities and support. For more information about the tripartite conference visit the [UNDG](#) and [MDTF Office](#) websites.

MDTF Office GATEWAY.....UPDATES

Donor Deposits, as of 30/6/2010



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Transfers to Participating Organizations, as of 30/6/2010



Updates from UN Country Teams

Montenegro UN Country Fund

The Montenegro UN Country Fund Joint Country Steering Committee (JCSC) met on 3 June 2010 in Podgorica to sign the Integrated UN Programme 2010-2015 for Montenegro and approve resources.

The meeting, co-chaired by Minister of Foreign Affairs (MFA) of Montenegro and UN Resident Coordinator in Montenegro was attended by representatives from Ministry of Labour and Social Welfare, Ministry of Health, Ministry of Economy; Ministry of Finance, Ministry of Justice, MFA and UN Agencies (UNDP, WHO, UNICEF, UNHCR) and IOM.

The JCSC approved the allocation totaling \$804,747 to two pillars: the Democratic Governance Pillar, and the Sustainable Economic Development and Environmental Protection Pillar. The resources were transferred to the Participating Organizations in June and the projects are underway.

Historic Occasion for the UNDG Iraq Trust Fund

The Government of Iraq (GoI) and the UNDG Iraq Trust Fund's Steering Committee met in June to approve the final new projects and joint programmes, except for the final election programming to be approved in September. This is

a historic occasion as the UNDG ITF is the oldest and largest United Nations Multi-Donor Trust Fund. The successful approval of resources before the 30 June 2010 deadline that was established by the Executive and Steering committees as one of the benchmarks toward Fund closure is an important milestone. Since 2004, over \$1.4 billion in donor contributions and earned interest has been approved in support of 190 projects and joint programmes have in 8 thematic sectors for implementation by 16 Participating Organizations

Building on the governance structures and UN Country systems in place, lessons learned from its' DaO operations in the past and independent project evaluations, the UN Country Team (UNCT) is consulting on the launch of a new MDTF in support of the Government of Iraq's priorities as outlined in the Iraq National Development Plan and articulated in the first Iraq United Nations Development Assistance Framework for Iraq (UNDAF) that was recently completed.



Ms. Christine McNab, UN Resident and Humanitarian Coordinator for Iraq, and the Iraq Deputy Minister of Planning Cooperation Dr. Sami Metti, at UNDAF signing ceremony in Baghdad

Iraq's first UNDAF (2011-14) was signed on the 11 May 2010 marking yet another historic occasion as a new strategic partnership between the UNCT and the GoI. The UNDAF, developed by the UNCT in partnership with the GoI and other national partners, was signed on behalf of the UN in Iraq by Ms. Christine McNab, UN Resident and Humanitarian Coordinator for Iraq, and the Deputy Minister of Planning, Dr. Sami Metti, who signed the UNDAF on behalf of the GoI on 11 May 2010.



Promoting the UN Coherence Agenda in Nepal

In Nepal, the [UN Peace Fund for Nepal \(UNPFN\)](#) and the [Peacebuilding Fund \(PBF\)](#) play a key role in the wider UN reform and coherence effort. The UNPFN was established in 2007 to complement the Government's Nepal Peace Trust Fund and has, to-date, received \$22 million in direct donor contributions from UK/DFID, Norway, Canada, Denmark and Switzerland. In addition, a \$10 million allocation from the PBF (48 donors) is channeled through the UNPFN.

While Nepal is not formally a 'Delivering as One' (DaO) country, a recent multi-donor assessment mission (from the UK, the Netherlands, Norway and Denmark) noted that "a transition to DaO could be fairly smooth as many of the elements are already in place: considerable commitment to coherence and harmonization in the UN Country Team, a number of joint programmes, a One UN House, informal implementation of a "firewall", a strong and widely respected RC who is well-informed about the DaO approach, a UN-system-wide peace fund (welcomed by Nepali authorities) which enhances the authority of the RC and a critical mass of donors who are committed to UN reform."

Nepal's RC/HC describes the UNPFN mechanism as "the single most important instrument for strengthening UN coherence at my disposal": First, it allows the RC/HC to effectively steer UN strategy in support of peacebuilding actions. In cooperation with an Executive Committee involving Government, donors and UNMIN, the UNPFN allows the RC/HC to identify emerging priorities for multilateral action and then to draw a wider set of UN actors. For example, in 2007 UNMIN and OHCHR both had a Security Council mandated role and the UN's wider peace support programmes addressed limited conflict monitoring, elections, mine action and registration and verification processes in the Maoist Army cantonments. Active at this time were only UNDP, UNOPS, OCHA and WFP from the UNCT. In contrast, by 2010 UN peace related activities have expanded to also encompass youth employment, transitional justice, SC Resolutions 1325, 1612 and 1820, security of female journalists and reparations involving in addition: UNFPA, UNICEF, UNIFEM, IOM, ILO, FAO and UNESCO.



Discharged Maoist Army Combatants, photo by UNICEF

The UNCT's engagement in the peace process is today considerably wider and deeper thanks in large part to the UNPFN. Significantly, the resources and transparency has also allowed smaller agencies to join this important effort, bringing their specialized expertise to bear.

Second, the UNPFN's unique, competitive application process creates important incentives for agencies to deliver quality programme designs. It operates through funding rounds, where agencies compete to access funds by addressing strategic outcomes identified. The Executive Committee selects the best concept notes to be developed into full proposals. To date, less than half of applications are successful. Such a process places additional pressure on agencies to ensure their submissions are of the best quality, so that their issues are advanced and resources are allocated accordingly. An additional round of vetting by a Government-lead vetting mechanism also adds integrity to the quality control process.

Third, the UNPFN 'incentivises' agencies to work together. While joint applications are not a pre-requisite, the UNPFN deliberately encourages agencies to apply collaboratively. And the ceiling for joint applications is \$3 million compared to \$2 million for single-agencies applications. This approach has stimulated greater collaboration among agencies and improved the focus of each agency in making contributions in line with their comparative advantage.

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SUDAN RECOVERY FUND – SOUTHERN SUDAN (SRF-SS)



Tools provided through SRF-SS funding to graduates of Ganji Vocational College

The Sudan Recovery Fund - Southern Sudan (SRF-SS) was established in May 2008 at the request of the Government of Southern Sudan (GoSS) to support the provision of recovery assistance to Southern Sudan. It aims to bridge the gap between short-term humanitarian aid and longer-term development assistance.

A first round of funding, launched at the beginning of 2009, focused on non-governmental organizations (NGOs) implementing projects focused on socio-economic recovery by promoting agriculture and income generating activities in rural areas. To date, \$19.6 million has been disbursed to twelve organizations implementing eighteen programmes in all the ten States of Southern Sudan. UNDP serves as Management Agent and the management arrangements ensure close collaboration with the respective State Planning and Development Committees to ensure consistency of SRF-funded programmes with State development plans.

In July of 2009, the Steering Committee approved a second round of funding of \$3 million to set up a small-grants me-

chanism aimed at local Non-Governmental Organizations (NGOs) and Community Based Organizations (CBOs) and to build the capacity of the Southern Sudan Reconstruction and Development Fund (SSRDF), a lead agency in the governance arrangements of the SRF-SS.

At the same time, the Steering Committee approved a third round of funding to address one of the critical issues emerging in Southern Sudan, insecurity. Under this round, the SRF-SS will support stabilisation efforts in two States, Jonglei State in the east, and Lakes State in the middle of Southern Sudan. These programmes started respectively in September and December of 2009. At present, the GoSS has indicated that Warrap State and Eastern Equatoria State should also receive similar assistance given the problems prevailing in these States and following the promising start of the programmes in Jonglei and Lakes.

The methodology developed to ensure balanced and comprehensive stabilisation plans for the States entails community consultations at the level of all the Counties in the States followed by discussions at the State level with senior security officials on perceived causes of insecurity. A tentative consensus is then reached on a few significant interventions that can address security issues, have short term impact, and aid the extension of State authority throughout the State. These interventions are further verified with the respective State Planning and Development Committees to ensure consistency with State development plans and ongoing initiatives.

For the State of Jonglei, with a surface area of 125,000km² (or the size of Greece or Malawi!) the agreed stabilisation package will focus on the construction of a key road, which will eventually link up with the road network of Ethiopia, immediately to the east of Jonglei State. In the short term, the improvement of this road will aid the deployment of security services to insecure areas and facilitate the revival of economic activities in the rural areas that will be serviced by this road. A second component in this package will ena-



ble the establishment of a radio station broadcasting news and current affairs programmes. The initial design, which has already been completed, identifies a radio station comprised of nine transmitters linked by satellite. Such a radio station will have immediate dividends, as it will reach 90% of the inhabitants of Jonglei, and will broadcast programs in the various local languages spoken in the State. The rationale for the radio station includes high illiteracy rates in Jonglei, particularly among women for whom the illiteracy rate hovers around 90%. Additionally, the lack of physical infrastructure and other channels of communication prevent access by rural communities to basic information. An example of the extent of the challenge was shared by the Governor of Jonglei State during the consultations defining the programme. The Governor explained that on his travels through the State he would still regularly encounter people who were not aware that the war between the North and South had been concluded in 2005 with the signing of a Comprehensive Peace Agreement (CPA).

For the State of Lakes, a tentative package has been identified that will also comprise the reconstruction of a crucial road linking the State to Unity State to the northeast which traverses Achuchok, a town identified as a future peace centre. Complementing this measure will be the provision of water resources for herders and their cattle as the dry season invariably brings competition, and conflicts, for water and grazing land in this State where 95% of the population lives a pastoralist existence. A third component of the programme will focus on the construction of police stations and other buildings (court houses and prisons) that will aid the extension of the rule of law throughout the State. Similar programmes as the ones described above will soon commence in the two other selected States, Warrap State, and Eastern Equatoria State.

The SRF is funded by contributions from the UK Department for International Development (DFID) and the Netherlands that have committed \$75.5 million and \$36 million, respectively, for a total amount of \$112 million. Of this amount, the SRF-SS Steering Committee has approved \$57 million bringing the total level of allocations to \$87 million, which almost equals the present level of donor deposits in the SRF-SS account.



Graduates from Ganji Vocational School funded by SRF-SS

While the Fund has made undeniable and innovative progress, there are also clear challenges such as the need to ensure robust monitoring and results-focused reporting on all operations.

Another crucial issue that the Fund will face during the second half of 2010 will be the preparation for the Referendum planned for early 2011 which will determine whether Southern Sudan should become independent or remain in a union with the Republic of Sudan. The peace agreements that set the stage for the holding of the referendum also provide for the progressive transfer of responsibilities for reconstruction and development to the GoSS following this referendum. As such the institutional arrangements of the SRF-SS will need to be reviewed to ensure that the lead agencies on reconstruction and development in Southern Sudan can perform their entrusted roles including the gradual transfer of the responsibility for the management of the SRF-SS in 2011.

For more information on the SRF-SS can be found at: <http://mdtf.undp.org/factsheet/fund/SRF00>

Article Prepared By Paul Koulen, Head of the Technical Secretariat, Sudan Recovery Fund – Southern Sudan (SRF-SS)

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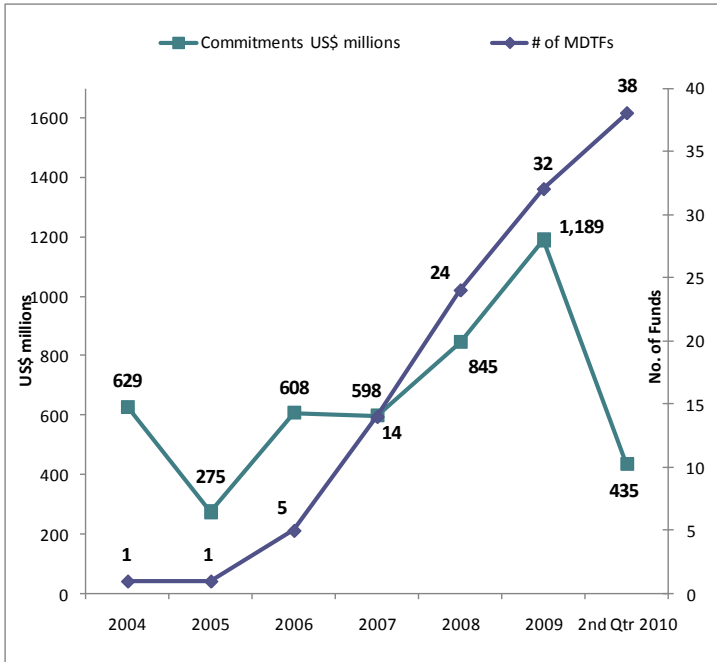


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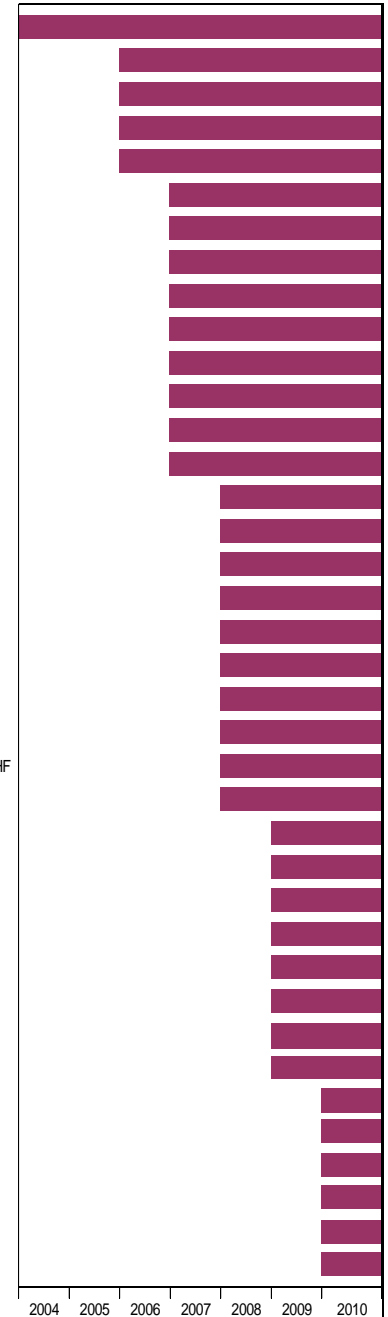
Portfolio at a Glance via the MDTF Office GATEWAY

Annual Donor Commitments to MDTFs (30/6/2010)



MDTF Office Portfolio by Fund and Year

- UNDG Iraq Trust Fund
- Sudan Common Humanitarian Fund
- Peacebuilding Fund
- Lebanon Recovery Fund
- Democratic Republic of the Congo Pooled Fund
- Viet Nam One Plan Fund
- Uruguay One UN Coherence Fund
- MDG Achievement Fund
- United Nations Peace Fund for Nepal
- United Nations Central Fund for Influenza Action
- Tanzania One UN Fund
- Rwanda One UN Fund
- Darfur Community Peace and Stability Fund
- Albania One UN Coherence Fund
- Viet Nam One Plan Fund-II
- UN-REDD Programme
- UN Trust Fund for Human Security
- UN Action Against Sexual Violence Fund
- Sudan Recovery Fund — Southern Sudan
- Pakistan One Fund
- Mozambique One UN Fund
- Malawi One UN Fund
- Central African Republic Emergency Recovery Fund/CHF
- Cape Verde Transition Fund
- Bhutan UN Country Fund
- Kiribati One UN Fund
- Papua New Guinea UN Country Fund
- Sierra Leone MDTF
- Community Based Adaptation Fund
- DRC Stabilization & Recovery Funding
- UNIFEM-End Violence Agst Women Trust Fund
- Kyrgyzstan One Fund
- Comoros One UN Fund
- Montenegro One UN Country Fund
- Lesotho One UN Fund
- UN-Indigenous Peoples Partnership
- Common Humanitarian Fund for Somalia
- UNDG Haiti Reconstruction Fund



Annual Donor Commitments to JPs (30/6/2010)

