

## **Background Paper for the 2014 JMB Paper – Topic 2**

*“Coherence of UN Action against poverty and vulnerability and towards resilience: Emphasizing the Delivering as One at country level to ensure the coherence of UN action”*

### **1) Introduction**

Eliminating poverty globally is an ethical, social, political and economic goal. As recently stated by the UN Secretary General, poverty eradication is an indispensable requirement for sustainable development, and as a matter of basic justice and human rights.<sup>1</sup> Growth remains essential for development and poverty reduction, but it must be pursued in inclusive and environmentally sustainable ways that focus on lifting the poor out of poverty while increasing equity and generating greater individual, community, and societal resilience.

As a public policy concern, poverty is widely considered to be a multidimensional problem. Over the last few decades, new perspectives on poverty have challenged the focus on income and consumption as the defining condition of poor people. Poverty means low levels of wellbeing, not just low income; measures must relate closely to people’s lives. Studies of the problems of poor people and communities, and of the obstacles and opportunities to improving their situation, have led to an understanding of poverty as a complex set of deprivations. Poverty has many manifestations and is aggravated by discrimination, insecurity, inequality and environmental and disaster risks.<sup>2</sup>

Underpinned by the implementation of the two Decades for the Eradication of Poverty (1996-2007, and 2008-2017), several UN summits and conferences resulted in negotiated outcomes focusing national, regional and international efforts on poverty eradication. Since 2000, UN anti-poverty actions are embodied in the Millennium Development Goals (MDG) that put people at the center of development. Significant progress has been made and the MDG1 poverty target is likely to be met despite reversals in the aftermath of multiple crises (food, energy, financial). Nevertheless, gains are concentrated in a few countries, there are still 1.2 billion extreme poor across the world, and growing inequality means that marginalized groups remain left behind even in countries with significant overall growth

The UN system has accelerated its efforts to help governments to achieve the MDGs as the 2015 deadline approaches, including around poverty, as well to address the related issues of vulnerability and resilience. This paper explores how initiatives work together more coherently, including through the UN Delivering as One (DaO) pilots and self-starters<sup>3</sup> have contributed to this effort, as well as challenges faced.

### **2) Key issues and challenges**

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<sup>1</sup> SG report, *A life of dignity for all: accelerating progress towards the MDGs and advancing the UN development agenda beyond 2015*, July 2013

<sup>2</sup> Despite this shift to a multidimensional poverty concept, monitoring has continued to rely on the income measure. At the global level, the \$1.25/day (PPP) measure developed and updated regularly by the World Bank is the one that is consistently used to monitor the size and trends in global poverty. At the national level, most governments define poverty threshold lines by household income.

<sup>3</sup> At present, there are 35 DaO countries. For a comprehensive list, see [http://www.undg.org/docs/13272/Delivering%20as%20One%20countries\\_Nov%202013.pdf](http://www.undg.org/docs/13272/Delivering%20as%20One%20countries_Nov%202013.pdf)

Evaluative evidence<sup>4</sup> shows that through the DaO approach, the UN development system has been better positioned to apply the kind of integrated policy solutions and responses needed to address the multi-dimensional and interlinked development challenges. The UN system has a unique role to play in eradicating poverty through its (i) operational role in assisting programme countries to strengthen their capacities to achieve the MDGs as a vehicle to inclusive and sustainable growth, and (ii) its capacity, when well-coordinated, to support countries to tackle complex and cross-cutting issues, such as poverty reduction efforts.

*Achieving national development goals of poverty reduction through enhanced UN joint programming*

The Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) are the primary instruments through which UN Country Teams (UNCTs) contribute to national development processes and strategies for poverty reduction by supporting governments inter alia to achieve the MDGs and other development objectives. The implementation of these instruments have incentivized UNCTs to work better together in all aspects of the programming cycle, achieving greater coherence, focus and results. The success of these tools is determined to a large extent by their ability to enhance dialogue with government and other partners to identify how UN actions can support national efforts.

The DaO approach (and other UN-wide initiatives) gives added impetus to help countries be better able to achieve their national development goals, including commitments to the MDGs and other internationally agreed development goals. While progress has been limited on some accounts, and as highlighted by the Independent Evaluation focus should increasingly shift from process to results, it should be noted that complex development changes, such as poverty reduction and poverty eradication, take decades. The UN development system is one player among many in the countries concerned, and the challenges needing adequate responses are multiple. Achievements of the DaO approach include enhanced national ownership (DaO countries national development needs and priorities are driving UN programming), better alignment of UN activities with national development priorities, and reduced transaction costs for programme country governments.

The One Programme – a best practice from the DaO experience and now a core element of the Standard Operating Procedures (SOPs) – builds on this concept to drive further the joint programming agenda, shifting the focus beyond just planning together towards a full cycle of delivering, monitoring and reporting on results together.

A good example of how these frameworks operate successfully with a better division of labor within the UN system is **Uganda**. In 2010, the government requested the UNCT to become a DaO country. By 2011, Uganda had already in place seven UN joint programmes aimed at promoting coherence of interventions in areas of high poverty and vulnerability, focusing interventions in areas of population, peacebuilding, early recovery, HIV/AIDS, gender, female genital mutilation and gender based violence. Recently, in an effort to align the next National Development Plan (NDP), the UNCT responded to the government's request to extend the

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<sup>4</sup> See *Independent evaluation of lessons learned from "Delivering as one"*, A/66/85926, June 2012

UNDAF period to 2015 to align the next NDP and UNDAF planning processes deepening the progress made in the DaO experience and enhancing accountability of joint UN action.

### *Importance of multidimensional and integrated approaches for poverty reduction*

The elimination of poverty can only be reached through a multidimensional and integrated approach that combines programmes and projects targeted at people living in poverty and at risk of poverty ('near poor') with policies and strategies that meet the basic needs of all, strengthen their productive capacities and empower them to participate in decision-making on policies that affect them. Such efforts must ensure access by all to productive resources, opportunities and public services, and enhance social protection and lessen vulnerability.

Supported by UNCTs, many governments internalized the MDG framework within their planning, budgetary, and sectoral policies, including through localizing global targets. Through the UNDG approach for MDG acceleration, the UN system is supporting countries in the identification of integrated solutions – including cross-sectoral, innovative and sustainable solutions – with clearly defined roles and responsibilities for different partners in supporting governments to accelerate MDG service delivery. In over fifty countries, UN Country Teams are bringing together wide ranging expertise to support this effort. Across some of the most vulnerable countries in the **Sahel**, for instance, joint UN implementation of acceleration plans demonstrate practical, effective ways in which humanitarian efforts can work with development interventions to lead to sustained gains in reducing hunger and poverty.

### *Promoting inclusive growth*

The MDGs were designed not simply to eradicate poverty, but also to uphold the principles of human dignity, equality and equity. A prerequisite for the achievement of these goals is that benefits cannot persistently and disproportionately accrue to one or merely a few groups in society. Inclusive growth, while requiring poverty reduction, is a broader concept that also focuses on reducing inequalities and different forms of discrimination, including widespread exclusion and unequal access to essential health care services, including sexual and reproductive health, and education, beyond the primary level, for women and girls, persons with disabilities, regions and countries and ethnic/linguistic minority groups. Full respect for human rights is fundamental to inclusive growth. Unequal access to essential goods and services has implications for the ability of people to find employment and escape poverty, and therefore often manifest and indeed increase inequalities.

The UN plays a role in the promotion of inclusive growth models, i.e. models that generate decent jobs, give opportunities for all segments of society, especially socially excluded groups, and distribute the income and non-income gains from prosperity more equally across society. In **Albania**, the UN system pooled the expertise of a number of agencies for a series of multisectoral interventions in four of Albania's 12 regions, contributing directly to the Government's National Action Plan for the Decade of Roma Inclusion 2010-2015. Roma in Albania suffer extreme marginalization, with 80 per cent of them living below the poverty line, more than half of those under age 15 are illiterate, and life expectancy lags behind the national average by 10 years. Since 2012, Programme activities have expanded from four to seven regions, ensuring that a growing number of Roma will be able to seek jobs and services and have a voice in ensuring their inclusion.

### *Building resilience: addressing structural and threat-based vulnerabilities and risks*

Efforts to accelerate MDG achievements and progress towards these targets can be thwarted on account of adverse shocks and crises that emanate from various sources such as conflicts, natural disasters, climate risks and financial and economic collapses. So, even as there is a need to accelerate progress towards MDG achievements, it is just as imperative to ensure that the progress already achieved is sustained and protected against risks of reversals.

Sustaining progress on poverty, environmental sustainability and global partnership-related MDGs creates opportunities for people, which contributes to improved livelihoods and lives, lowers environmental stress and contributes to a more equitable global economy, which helps to strengthen resilience. And with greater resilience comes the ability to withstand shocks. Thus, sustaining MDG progress and reducing risks and vulnerabilities for human resilience are mutually synergistic.

The UN has a critical role in supporting countries to develop capacities at the individual, community, and societal levels to prevent, mitigate, adapt to and address structural and threat-based vulnerabilities and risks. For instance, in **Uruguay**, the UN is addressing the nexus between poverty, vulnerability and environment by helping the government increase efficiency of public policies by mainstreaming environment concerns into development planning and poverty reduction strategies, budgets, and sectoral plans. By focusing on poverty-environment linkages in the areas of informal waste, management, exposure to toxics, and marginal population groups, UN support helped to create synergies for inclusion of gender and population considerations.

Direct cash transfers may be the most effective way to reduce the vulnerability of and redistribute income to the ultra-poor who are unable to work due to disability, age, illness or a high dependency ratio. With support from the UN, **Malawi** introduced in 2006 a pilot initiative that targets extremely poor households living on less than \$0.10 per day with an aim to reduce poverty and hunger in the most vulnerable households. Results from the pilot and subsequent support have provided knowledge about cash transfers as an effective development instrument and has contributed to the mobilization of resources for scaling up to a national programme.

### *Challenges*

The independent evaluation of DaO, identified several challenges that remain at various levels, including (i) the need to further reduce parallel processes, thereby simplifying and reducing transaction costs of programming; (ii) enhance monitoring and evaluation, particularly of joint results; (iii) harmonize and streamline reporting; (iv) implement the principle of mutual accountability, including strengthened incentives for contributions to system-wide results; (v) ensure that the capacity for Resident Coordinators and UNCTs to exercise their leadership role is in place; (vi) streamline governance procedures to reduce duplication and transaction costs; and (vii) increase efficiency through further simplification and harmonization of business practices.

To a certain degree, these challenges have also been seen in the implementation of joint support to poverty reduction related issues on the ground. One case in point relating to the reduction of transaction costs of programming and enhancing monitoring and evaluation of joint UN results is

the integration of the Poverty Reduction Strategy Papers (PRSPs) process, the MDG framework, and common UN programming instruments. PRSPs aim to provide the link between national public actions, donor support, and the development outcomes needed to meet the MDGs. Much progress has been made in the area of poverty analysis over the last decade –including several generations of PRSPs and MDG based PRSPs – using this framework as an opportunity for creating a new approach to development based on pro-poor growth strategies. But the lack of coordination between UN instruments and the PRSP has been deemed to undermine the greatest strength that the UN system has, the complementarity among UN agencies.

Increasingly, one of the main challenges for the UN development system is to present resilience and risk reduction as an essential part of its efforts to deepen and sustain progress in all development contexts, rather than merely in those countries where sudden or recurrent crisis conditions are forcing an orientation to risk and vulnerability. To ensure sustainable poverty results, pathways for inclusive and sustainable development must be tied to building resilience to a range of shocks, and promoting the governance transformations that underpin the emergence of more equitable societies. Bringing together these aims means that UN joint efforts for poverty reduction should support interventions that:

- Maintain growth and reduce emissions for the economy as a whole, while promoting the creation of jobs and other economic opportunities in sectors that predominantly employ the poor;
- Generate adequate amounts of public revenues to allow investment in quality goods and services and ensure equitable access by the poor to water, sanitation, food, energy, shelter, as well as health, including sexual and reproductive health, and beyond the primary level.;
- Retain biodiversity and ecosystem services, while seeking to maintain in sustainable ways the livelihoods of the poor who are dependent on them;
- Enhance energy and resource efficiency in the economy, including through the equitable access to energy by the poor and the promotion of its efficient use;
- Address both structural and threat-based vulnerabilities by building resilience to all kinds of context-specific risk, through the development of adaptive capacities at the individual, community, and societal levels.

The Independent Evaluation of DaO also recognized that “while ensuring better alignment to programme country systems, new approaches to planning, budgeting and reporting to management have often posed challenges at the corporate level, where efficiency is characteristically achieved through standardization. The emergence of so many localized solutions is an unintentional and undesirable side effect of the notion that “one size does not fit all”. With this in mind, and building on the experience of DaO and the strategic intent of the SOPs, the UN Development Group (UNDG) has just recently adopted a Headquarters Plan of Action for addressing corporate level changes which will help UNCTs maximize the efficiency gains of DaO under the SOPs.

The diversity of approaches to coherence at the country level is significant, in both the DaO and non-DaO countries. To support the flexibility and voluntary principles, the SOPs have been developed with the intention of being applicable beyond DaO countries, should UNCTs see value added in integrating some elements of the SOPs. However, to ensure that a proper benchmarking exists which results can be measured against, the UNDG is also defining a set of

minimum requirements to be applied for any country wishing to be considered DaO. This will require enhanced dialogue with programme countries to understand the impact and implications of the various pillars of the DaO approach.

### **3) Lessons learned**

*UN collaboration adds value and coherence of UN system's action for poverty eradication*

In several DaO UN countries, assessments conclude that UN joint action transforms the way the UN operates in those countries. By focusing on the UN's normative role and ability to convene, broker knowledge and pull in a wide range of expertise and resources from across the UN System, it ensures greater value addition for socio-economic development outcomes. Delivering coordinated action ensures that the UN is fit for purpose to deliver on the MDG agenda and able to draw on the diverse strengths of its individual UN Agencies. Furthermore, UNCTs should use their brokering role to strengthen the quality of policy dialogue in sector related planning and programming for PRSPs and national development strategies. Such approaches are most likely to be successful when the diversity of mandates of UN entities is recognized and encouraged, allowing for complementarity in addressing poverty challenges from different angles while addressing duplication and promoting collaborative approaches.

*The MDG framework has generated buy-in for poverty reduction efforts, but strong ownership is critical to sustainable results*

Experience with the MDGs shows us that goals can be a powerful way of mobilizing common action. The MDGs have substantial buy-in from all stakeholders, although the main instrument for donor coordination and international resource flows has traditionally been the PRSP agenda. The challenge for the UN system is to work effectively with development partners to realize the resources that are needed for development and to use them effectively. UNCTs, including in many DaO countries, have learned that national and local ownership of the MDGs and well-managed policies, backed coherently by partners at all levels, has underpinned progress in achieving the MDGs. Policies that foster robust and inclusive economic growth, accompanied by measures to improve the access of poor and excluded people to quality basic services, have produced gains in many countries, particularly on Goal 1 on eradicating extreme poverty and hunger.

### **4) Conclusion**

The diversity of mandates of UN entities has allowed for complementarity in addressing poverty challenges from different angles while addressing duplication and promoting collaborative approaches. Through joint programming instruments and common approaches the UN system has become more effective partner to governments in helping to better respond to poverty related challenges. UN joint programming has incentivized UNCTs to support alignment of the programming cycle with national development goals for poverty reduction. Integrated approaches to address poverty challenges have also been found to benefit from joint UN support, underpinned by inclusive growth models. However, systemic risks and vulnerabilities to sustaining MDG progress on poverty, environmental sustainability need to be addressed..

In September 2013, at the Special Event on the MDGs, Member States were decisive in charting the way towards the post-2015 development agenda. They called for crafting a strong, inclusive, and people-centered agenda, which would build on the foundation laid by the MDGs. This development framework should underscore the central imperative of poverty eradication and the need for integration of the three dimensions of sustainable development. The UN, working collaboratively with development partners, implementing effective programming instruments and expanding partnerships, can support this process in the years ahead.

Absorbing the experience of DaO pilots and self-starters, the UNDG has developed an integrated package of support which provides countries with guidance on how to implement each element of the SOPs, and how these are inter-linked across the DaO pillars. However, true to the voluntary adoption and flexibility principles, the SOPs are outward and forward looking, allowing countries to also adopt only those SOPs elements deemed to provide added value in each country context.

As the agencies learn from previous experiences and move forward, several questions merit consideration. These include:

- 1) Given the mandates of the six agencies and the joint instruments for coherent UN action outlined in the present paper, how can the agencies better support the enhancement of UN joint programming for poverty eradication? In what areas should the United Nations increase its support or change its role?
- 2) The UN and the World Bank are drawing similar conclusions from their analysis of global poverty trends. We see potential for growth and development, but also considerable dangers posed by rising risks from multiple sources. We are converging on the shared view that eliminating extreme poverty within a generation is possible – and that this can be achieved in sustainable ways. In this context, how can the UN work with partners such as the WB to deliver greater access to knowledge, better advice on development options, and improved efficiency and agility in operations to Member States?
- 3) How can the UN further improve its coordination mechanisms so that support for poverty reduction efforts becomes more collaborative?
- 4) How can the UN facilitate technical cooperation and information exchange to spread the use of best practices and take advantage of available knowledge for poverty reduction?
- 5) How can Member States contribute to unpack the QCPR and further support the coherence agenda and strengthening of the RC system?
- 6) What is the vision of Delivering as One in the future, and how do we ensure an appropriate balance between flexibility of approaches, demonstrating results, and overburdening UNCTs with requirements?