

15 February 2006

Dear Mr. President,

I am writing further to my letter of 29 November 2005, in which I informed you of arrangements I am putting in place concerning the study on United Nations System-wide Coherence in the Areas of Development, Humanitarian Assistance, and the Environment, in pursuance of the mandate of the World Summit.

I am pleased to inform you that after considerable thought and consultation, the composition of the High-level Panel that will take forward this study has been finalized and is attached herewith for your information. I am also attaching a revised version of the Terms of Reference of the Panel which have been amended to reflect a more realistic and achievable timeframe within which the study should be completed. Finally, please also find attached a short press release that will be used by my Spokesman who will announce tomorrow the establishment of the Panel at the noon press briefing.

I am aware of the strong interest and anticipation concerning the work of the Panel in light of the importance accorded by the membership to the issues it will address. I wish to assure you that the Secretariat will try to ensure that the work of the Panel will be as transparent and consultative as possible, and that it will also benefit from the various perspectives of the Member States.

I would be grateful if you could share this letter with the members of the General Assembly. I look forward to collaborating closely with you and the membership as this effort proceeds.

Please accept, Mr. President, the assurances of my highest consideration.

Kofi A. Annan

His Excellency Mr. Jan Eliasson President of the General Assembly New York

Secretary-General's High-level Panel on UN System-wide Coherence in the Areas of Development, Humanitarian Assistance, and the Environment

Members

1. H.E. Mr. Shaukat Aziz, Pakistan (Co-Chair)

2. Rt. Hon. Gordon Brown, MP, UK

Prime Minister, Pakistan

Chancellor of the Exchequer

3. H.E. Ms. Luísa Dias Diogo, Mozambique (Co-Chair)

Prime Minister, Mozambique

4. Mr. Mohamed T. El-Ashry, Egypt

Senior Fellow, United Nations Foundation Former Chairman and CEO of the Global Environment Facility (GEF)

5. Mr. Robert Greenhill, Canada

President of the Canadian International Development Agency Deputy Minister, International Cooperation, Canada

6. Ms. Ruth Jacoby, Sweden

Director-General for Development Cooperation, MFA Sweden

7. H.E. Mr. Ricardo Lagos Escobar, Chile

President of the Republic of Chile

8. Mr. Louis Michel, Belgium

European Commissioner for Development and Humanitarian Aid

9. H.E. Mr. Benjamin W. Mkapa, Tanzania

Former President, United Republic of Tanzania

10. Mr. Jean-Michel Severino, France

Director General, French Development Agency Former Vice President of the World Bank East Asia and the Pacific

11. H.E. Mr. Jens Stoltenberg, Norway (Co-Chair)

Prime Minister, Norway

12. Mr. Keizo Takemi, Japan

Member of the House of Councillors, Liberal Democratic Party Former State Secretary for Foreign Affairs of Japan

13. Ms. Josette S. Shiner

Under Secretary for Economic, Business and Agricultural Affairs US Department of State

Ex Officio Members

1. Mr. Kemal Derviş, Turkey

Administrator of the United Nations Development Programme (UNDP) Former Turkish Finance Minister

2. Mr. Lennart Båge, Sweden

President of the International Fund for Agricultural Development (IFAD)

Secretariat

1. Mr. Adnan Amin, Kenya

Executive Director, High-level Panel on "System-wide Coherence in the Areas of Humanitarian Assistance, the Environment and Development" Director, New York Office of the United Nations Environment Programme (UNEP)

2. **Mr. Koen Davidse, Netherlands,** Research Director

Deputy Director, Human Rights, Humanitarian Aid and Peacebuilding Netherlands Ministry of Foreign Affairs

3. **Experienced** UN **Resident Coordinator**, Research Director

to confirm

TERMS OF REFERENCE FOR NEW STUDY ON UNITED NATIONS SYSTEM-WIDE COHERENCE IN THE AREAS OF DEVELOPMENT HUMANITARIAN ASSISTANCE, AND THE ENVIRONMENT

Background

The Outcome Document adopted by global leaders at the 2005 World Summit in New York calls for much stronger system-wide coherence across the various development-related agencies, funds and programmes of the United Nations. In addition to supporting current, ongoing reforms at building a more effective, coherent and better-performing UN country presence, it specifically invites the Secretary-General to "launch work to further strengthen the management and coordination of United Nations operational activities." The Outcome Document calls for such work to be focused on ensuring the UN maximizes its contribution to achieving internationally agreed development goals, including the Millennium Development Goals, including proposals for "more tightly managed entities" in the field of the environment, humanitarian assistance and development.

The Secretary-General intends to commission a small panel, supported by Mr. Adnan Amin (UNEP) as Executive Director and appropriate research and analytical capacity from inside and outside the UN system, to develop concrete and comprehensive analysis and recommendations in this regard. The Secretary-General is determined to ensure that while this work is underway, existing reform initiatives endorsed by the Outcome Document, including those for a strengthened role for Special Representatives of the Secretary-General and Resident Co-ordinators, and the strengthening of the UN Country Team through a common management programming and monitoring framework should continue. The Secretary-General considers that the outcome of this exercise would provide an important complement to the on-going reform deliberations in the General Assembly.

Timeline

The panel will seek to consult on interim basis with the UN Chief Executives Board at its meeting in April 2006. This would allow for further consultation with member states at ECOSOC in July 2006 and for the full study to be completed by the next session of the United Nations General Assembly to allow for embarking on possible implementation in 2007.

Scope

As set out in the Outcome Document, the three elements of the study will need to have slightly different scope:

In the field of **Humanitarian Assistance** significant progress has already been made in recent years in providing more coordinated response to emergencies at country level. The

Outcome Document also commits the GA to the strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations and separate follow-up work is already underway in this regard. However, the growing scale and scope of disasters, particularly natural disasters, underlines the importance of improving the timeliness and predictability of humanitarian funding, in part by improving the Central Emergency Response Fund. In part through a thorough evaluation of lessons learned from recent experience. This part of the study will also need to focus on ways of developing and improving mechanisms for the use of emergency standby capacities for a timely response to humanitarian emergencies.

In the field of **Environmental Activities** two separate issues need to be addressed. First in the normative area, is a full assessment of how the United Nations can best provide more comprehensive and coherent management and monitoring of the growing range of multilateral environmental agreements. This should include the development of stronger scientific and analytic capacity in monitoring, assessing and reporting on critical environmental trends. Second is the need for better integration of the environmental perspective within the broad principle of sustainable development in UN country-level activities and in particular capacity building and technology support undertaken by the entire UN system. The GA may launch its own deliberations on the issue of international environmental governance issues in early 2006 and it would be important to ensure these efforts are complementary.

In **Development**, despite wide-ranging reforms over the past five years strengthening the role of the Resident Co-ordinator and the UN Country Team, developing and donor countries alike remain concerned that overall UN's development impact at country-level remains overly fragmented and supply-driven. The Outcome document commits all countries to map out their own national strategies to meet the international conference goals including the Millennium Development Goals. In this context, the study will need to analyse how the UN system as a whole can be better re-oriented to provide more efficient, coherent demand-driven support to national partners by building on its core normative, technical assistance and capacity building strengths to partner with the longertern financing and other support brought by the World Bank and other international partners. In this regard, it will be particularly important to consider how to strengthen linkages between the normative work and the operational activities of the system. It will also need to examine how this work can support and complement the wider role the Outcome Document envisages for ECOSOC in ensuring follow-up and assessing progress of the outcomes of the major United Nations conferences and summits, including the internationally agreed development goals; and playing a major role in the overall coordination of funds, programmes and agencies, ensuring coherence among them and avoiding duplication of mandates and activities.

In all three areas, the study will need to encompass both organizational and funding issues, ranging from the duplication and overlap of work products across UN agencies. funds and programmes to prospects for joint multi-year funding and programming arrangements. The broad issue of more predictable financing of the UN system -- from the CAP process to the growth in non-core funding of Funds and Programmes to the

appropriate role of assessed contributions -- and its impact on existing systems and proposed reform will need to be a central element.

The overarching aim of the study is to seek recommendations on a process of rationalization that will maximize the available resources for relief and development programmes in the UN system while minimizing overhead and administrative costs. As such, the study will need to explore ways of fully exploiting synergies between the normative and analytical institutions and departments of the UN, such as DESA and UNCTAD, and operational agencies. It will also need to address how the UN system works and can best exercise its comparative advantages with international partners, including the Bretton Woods Institutions, the European Commission and other regional actors, donors, civil society and the private sector. While the primary focus will be on increasing impact at the country level, in making concrete proposals for improved management, coordination and effectiveness, it will need to make findings with regard to work both at UN headquarters, regional and country level.

In terms of recommendations, the study should seek to identify a short, medium and longer-term vision and benchmarks, thus laying a platform for an actionable plan of implementation rather than open-ended proposals. Change may need to occur in phases, with first initial proposals for rationalization of the current system without major structural changes; then proposals for preliminary restructuring of the current system to minimize duplication and overlap; and finally recommendations for comprehensive revitalization and restructuring of the UN operational role in environment, humanitarian and development work.

Consultation

The Outcome Document separately calls for greater coordination between the governing boards of various operational agencies so as to ensure a more coherent policy in assigning mandates and allocating resources throughout the system. In this spirit - and to ensure wide acceptance and subsequent implementation of the findings -- it will be essential for the panel to consult widely with all stakeholders, including the management and Governing Boards of relevant agencies, funds and programmes, prior to submission of their final report to the Secretary-General.

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Secretary-General's High-level Panel on UN System-wide Coherence in the Areas of Development, Humanitarian Assistance, and the Environment

Embargoed until 16 February 2006 Noon (EST)

STATEMENT BY THE SPOKESMAN

The Secretary-General today announced the formation of a new, high-level panel to explore how the United Nations system could work more coherently and effectively across the world in the areas of development, humanitarian assistance and the environment. The study, which was called for in the Outcome Document adopted by global leaders at the 2005 World Summit in New York, is intended to lay the groundwork for a fundamental restructuring of the UN's operational work, complementing other major reform initiatives currently underway at the UN including the creation of a new Peacebuilding Commission, negotiations over the establishment of a new Human Rights Council, and a proposal for comprehensive management reform that will shortly be unveiled by the Secretary-General.

The 15 member panel comprises:

- 1. H.E. Mr. Shaukat Aziz, Pakistan (Co-Chair) Prime Minister, Pakistan
- 2. Rt. Hon. Gordon Brown, MP, UK Chancellor of the Exchequer
- 3. H.E. Ms. Luísa Dias Diego, Mozambique (Co-Chair) Prime Minister, Mozambique
- 4. Mr. Mohamed T. El-Ashry, Egypt Senior Fellow, United Nations Foundation Former Chairman and CEO of the Global Environment Facility (GEF)
- 5. Mr. Robert Greenhill, Canada President of the Canadian International Development Agency Deputy Minister, International Cooperation, Canada
- 6. Ms. Ruth Jacoby, Sweden
 Director-General for Development Cooperation, MFA Sweden
- 7. H.E. Mr. Ricardo Lagos Escobar, Chile President of the Republic of Chile

- 8. Mr. Louis Michel, Belgium European Commissioner for Development and Humanitarian Aid
- 9. H.E. Mr. Benjamin W. Mkapa, Tanzania Former President, United Republic of Tanzania
- 10. Mr. Jean-Michel Severino, France Director General, French Development Agency Former Vice President of the World Bank East Asia and the Pacific
- 11. H.E. Mr. Jens Stoltenberg, Norway (Co-Chair)
 Prime Minister, Norway
- 12. Mr. Keizo Takemi, Japan Member of the House of Councillors, Liberal Democratic Party Former State Secretary for Foreign Affairs of Japan
- Ms. Josette S. Shiner
 Under Secretary for Economic, Business and Agricultural Affairs
 US Department of State

Ex Officio Members

- 14. Mr. Kemal Dervis, Turkey
 Administrator of the United Nations Development Programme (UNDP)
 Former Turkish Finance Minister
- 15. Mr. Lennart Båge, Sweden President of the International Fund for Agricultural Development (IFAD)

The Outcome Document calls on the Secretary-General to commission work on how to improve UN system-wide coherence across the various development and humanitarian-related agencies. Responding to that call, this study will examine a range of options on how best to strengthen the coordination of UN operational activities worldwide, including, as requested by member states, the possibility of creating more tightly managed UN entities in the fields of the environment, humanitarian assistance and development. The Secretary-General strongly believes that a fundamental review of these activities is central to the long-term success of the overall UN reform process and critical if the UN system is to be able to play its role in supporting Member States to achieve the Millennium Development Goals.

The Panel is expected to complete its work by the summer to allow for formal presentation of its recommendations to the next session of the United Nations General Assembly in September 2006 and possible implementation in 2007. The work of the Panel will be supported by a small Secretariat based in New York.

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