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**Policy issues: coordination and cooperation within
the United Nations system on environmental matters**

**Corporate memorandums of understanding concerning
cooperation between the United Nations Environment
Programme and other bodies of the United Nations system**

Note by the Executive Director

Addendum

**Annual report on the implementation of the memorandum of
understanding between the United Nations Environment
Programme and the United Nations Development Programme**

Summary

In accordance with paragraph 1 of Governing Council decision SS.XI/3 of 26 February 2010, the annex to the present note provides a summary of activities undertaken by the United Nations Environment Programme and the United Nations Development Programme and the pursuant to the memorandum of understanding between the two programmes. The annex is presented without formal editing.

* UNEP/GC.26/1.

Annex

Annual report on the implementation of the memorandum of understanding between the United Nations Environment Programme and the United Nations Development Programme

Background

In December 2008 UNDP and UNEP signed a new Memorandum of Understanding (MoU) with the purpose of providing a framework of cooperation and facilitating collaboration between the parties, on a non-exclusive basis. The MoU aims to ensure host government access to UN expertise in areas of common interest based on national priorities and development plans, and resulting in United Nations Development Assistance Framework (UNDAF) outcomes. The MoU identifies a number of possible areas of cooperation such as:

- Climate change
- The Poverty and Environment Initiative
- Other environmental endeavours related to the implementation of Agenda 21; the Johannesburg Plan of Implementation; the Bali Strategic Plan for Technology Support and Capacity Development; Multilateral Environmental Agreements; and other international agreements in order to assist countries to achieve the MDGs (based on their own national priorities and the UNDAF).

Progress and current status

The new MoU provides a framework to strengthen UNEP-UNDP collaboration by making it more strategic, effective and systematic. While the MoU has remained largely unknown to many in both organizations, and its implementation has so far been limited, there are a few examples of UNDP-UNEP cooperation that merit special mention in this report.

The Poverty and Environment Initiative (PEI) is a widely recognized example of such cooperation. Overall, this fully joint programme – joint management, programme design and budgeting – continues to be a leading example of successful cooperation between the two organisations. Further the PEI provides an example of how accessing UNEP and UNDP substantive support has enabled countries to integrate environmental sustainability into their development planning processes. Moreover, it demonstrates a highly credible model for how UNEP can have significant impact at the country level, with joint UNDP-UNEP global and regional teams supporting Government-UNDP Country Office implementation at the country level. The PEI Global-Scale up is ongoing, albeit with some delays in some PEI country programmes. Reduced receipt of funds by the PEI have caused some difficulties, with the global financial crisis bringing increased concerns about resource mobilization for the initiative.

More recently the UNDP-UNEP collaboration has expanded to address the need for a more coherent and systemic approach within the UN system in the area of environment and climate change especially given its impact on country's overall socio-economic development. The two sets of UN guidance notes on mainstreaming environmental sustainability and integrating climate change considerations into the country analysis and UNDAF developed by the UNDG Task Team on Environmental Sustainability and Climate Change (co-chaired by UNDP and UNEP) are examples of such efforts. The Guidance Notes, which aim at strengthening the capacity of UN Country Teams to engage in assisting developing countries in preparing and implementing development policies to confront climate change, have been issued by the UN Development Operations Coordination Office (UNDOCO) to all UN Resident Coordinators. UNDP-UNEP, working collaboratively with the UN System Staff College delivered a Training-of-Trainers course in Turin, July 2010. The ToT course trained over 30 UN staff drawn from nine different agencies on the application of these guidance notes. The ToT in Turin is a good demonstration of the expanded collaborative efforts between UNDP-UNEP.

In addition, there is a wide range of other examples of joint and collaborative projects at global, regional and national level as outlined in the "Joint Inventory and Analysis of UNDP-UNEP Collaboration" report issued in April 2010. All these programmatic collaborative initiatives have been developed by various parts of the largely decentralized structures of the two organizations. Categories of collaboration in global, regional and national initiatives listed in the inventory include: climate change adaptation and payment for ecosystem services (PES) projects; the Poverty Environment Initiative (PEI); UN REDD; joint programs financed by the MDG Achievement Fund; "Delivering as One" pilot processes (both funded by Multi Donor Trust funds); and several GEF-funded projects. Global and regional projects are the main drivers of UNDP-UNEP collaboration on the ground, generating new opportunities and funding options.

The analysis further indicates that within each of these initiatives, the collaborative arrangements fall into three clusters; (a) administrative services, program management support and institutional coordination; (b) project/program design, technical expertise and monitoring and evaluation services; (c) communications, dissemination, funding, resource mobilization, publications and training – which occur less frequently. Although project funding and resource mobilisation do not appear as significant elements of UNDP-UNEP collaboration, these are nonetheless some specific examples of mutual support.

It is worth noting that the scope of this inventory is limited to collaborative initiatives which represent a small percentage of both UNEP's and UNDP's portfolios. The actual environmental programming of the two organizations is much broader than what is captured in the inventory.

Additionally, both UNEP and UNDP recognize that there is an opportunity to deepen the collaboration even further. Accelerating the implementation of the MoU serves as an impetus for more systematic and coherent collaboration particularly on programmatic and related substantive issues. With the realization of the critical role to be played by the Joint Working Group (JWG) in this regard, in August 2010 UNEP and UNDP finalised the governance arrangements and the Term of Reference for the JWG with the expanded membership. The JWG which consists of 5 staff members from each organization, is overseen by the UNEP Deputy Executive Director and the Director of UNDP's Bureau for Development Policy (BDP). The JWG convenes on a quarterly basis.

During 2010, the JWG identified a number of practical approaches for strengthening UNDP-UNEP partnership. In particular, the JWG resolved to undertake a review of the collaboration modalities in some of the major on-going initiatives (UN-REDD, PEI, etc.), going beyond the scope covered in the previous inventory. The review will seek to define typologies of collaboration with a focus on financial, administrative and programmatic arrangements and identify practical actions for improving work processes and means of engagement. Noting the need to deepen the understanding of each others' comparative advantages and optimal complementarities, the JWG also identified and recommended the use of the UNDP-led Teamworks as an on-line common space for discussions and information-sharing on collaborative issues among staff of the two organizations.

UNEP recognizes its participation in key UNDP global and regional meetings and events and vice versa as additional means to enhance collaboration. For example, the participation of the UNEP Regional Director for Africa in the cluster meeting of UN Resident Coordinators/UNDP Resident Representatives in Africa in July 2010 was highly welcomed. It led to the submission of over 20 requests from Resident Coordinators for UNEP's substantive support to UNCTs in mainstreaming environmental sustainability and climate change considerations into UN common country programming processes. UNEP will pursue with UNDP the expansion of this good practice to the other regions.

Way forward

UNEP and UNDP will continue to collaborate with the undg Task Team for the roll-out of the UNDOCO Guidance Notes mentioned above through regional training to UNCTs. The guidance notes focus on integrating environmental sustainability and climate change in UNDAFs with a view to assisting developing countries to enhance their capability to preparing and implementing development policies to mitigate the negative impacts of climate change on their development gains towards the achievement of MDGs.

Furthermore, there are several emerging opportunities for programmatic and other substantive collaboration between UNEP and UNDP, which will be actively explored in the coming months. These potential areas include: (i) an initiative on ecosystem-based adaptation in countries that are particularly vulnerable to the impacts of climate change (particularly focusing on high mountain and coastal ecosystems); (ii) joint follow up on the outcomes of the Tenth meeting of the Conference of the Parties to the CBD held in Nagoya, Japan in October 2010 (such as the implementation of the new strategic plan and biodiversity targets, capacity development to follow up the Access and Benefit Sharing protocol, the preparation and revision of National Biodiversity Strategies and Actions Plan (NBSAPs) and financial mechanisms in the context of the operationalisation of The Economics and Ecosystems and Biodiversity initiative(TEEB)); (iii) implementation of the UN Energy Access Facility which was launched by UNDP, UNEP and UNIDO during the MDG Summit in New York in September 2010; (iv) consultations in facilitating further discussions on the implementation of the Intergovernmental Science-policy Platform on Biodiversity and Ecosystems Services (IPBES); and (v) preparations for the 2012 UNCSD Rio+20 Conference where DESA, UNEP and UNDP will be working closely together as a UN troika.