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**CEB Trade and Productive Capacity Cluster Collaboration on the Enhanced
Integrated Framework (EIF)
A Note by UNDP**

The Enhanced IF is scheduled to be officially launched in July 2009. This paper tries to answer the question ‘how can the CEB Cluster Agencies collaborate in supporting implementation of the EIF’. A question and answer format is used to provide some pointers and to facilitate discussion. It is also hoped that preparation for collaborative support to the EIF will guide the CEB on collaboration on the Aid for Trade (Aft) initiative

What is our objective in working together?

The objective of partner agencies in working together is to seek synergies and complementarities, reduce transaction costs and ensure a more efficient and effective contribution by the UN System to the EIF.

How can we do this?

We can do this by working together to identify opportunities for joint programmes within the EIF and prepare joint proposals in the EIF countries, where clear value added exists and where it is feasible.¹

Why joint programming in the EIF?²

A joint programme is the result of a collaborative effort by the UN system to deliver on the ground.³ This is all the more logical and necessary within the context of EIF which is a partnership of agencies, donors and recipient countries. However, this partnership has so far mainly operated at the global level and needs to be extended and reinforced particularly at the country level to achieve maximum impact. The member countries, both donors and beneficiaries, have often expressed the desire to see the agencies not only collaborating at the level of the EIF Board in Geneva but also working collaboratively to deliver at country level.

¹ A joint programme is a set of activities contained in a common work plan and related budget, involving two or more UN organizations and (sub) national partners. The work plan and budget is part of a joint programme document, which also details roles and responsibilities of the partners in coordinating and managing the joint activities. The joint programme document is signed by all participating organizations and (sub) national partners.

² Joint programming is the overall process through which the UN at the country level uses a harmonized approach to work with the government and other partners to prepare, implement and monitor and evaluate programmes of cooperation.

³ The term programme implies programmes and projects.

Is a joint programme practical within the EIF?

The principle of ownership by the government is central and has been recognized as such in the EIF as well as in the Paris Principles on which the EIF is organized. It is for the government to decide which priorities it wishes to focus on and which agency or agencies it wishes to work with, specifically when developing and implementing trade related technical assistance and capacity development projects under the EIF's Tier II window.⁴ In particular, a number of countries, for example, Cambodia (which has already developed a Sector Wide Approach on Trade), Uganda and Nepal have expressed an inclination to take a programmatic approach on Tier II. This by implication opens the way for a joint programming approach.

What would UNOPS role be in an EIF joint programme?

UNOPS has been appointed EIF Trust Fund Manager and will manage EIF funds entrusted to it for which it will charge a fee of 0.75 % of the amount contributed. It is understood that UNOPS will not implement Tier II projects unless specifically requested to do so. This is to avoid a conflict of interest. This arrangement is ideally suited for joint programming. With UNOPS as the Administrative Agent in effect, UN agencies can commit to undertake and implement substantive activities wherein they have a comparative advantage and expertise.

What would UNDP's role be in an EIF joint programme?

UNDP supports the RC system in all IF countries. Through the Trade and Human Development Unit at the UNDP Office in Geneva, it is also represented on the EIF Board and carefully follows the progress of the programme in all countries. UNDP can contribute its traditional coordination function in working with the CEB Trade and Productive Cluster, EIF national focal points, donor facilitators and RCs in beneficiary countries, and the EIF Board and Secretariat in Geneva to advocate for and develop joint programmes.

Following approval of a programme, UNDP can

- Coordinate implementation activities at country level through the RC/country office, working in close collaboration with partner agencies.

⁴ The EIF has two financial windows, Tier 1 and Tier 2. Tier 1 is aimed at supporting capacity-building to ensure greater in-country management and ownership of the programme. It will provide resources to support the IF core functions including building the human resource capacity of the IF National Implementation Arrangements (NIAs); providing operational support to NIAs, some local running costs and equipment; preparing and/or updating of the LDCs' Diagnostic Trade Integration Study (DTIS) and facilitating and supporting trade mainstreaming actions. Tier 2 is aimed at providing bridge funding to jump start projects related activities identified in the DTIS, its Action Matrix or update. Of the \$ 250 million budgeted for the EIF, \$77 million is earmarked for Tier 1 and \$160 million is budgeted for Tier 2 projects (the remaining amount is for supporting the EIF Secretariat and related programme costs). Another \$160 million is expected to be mobilized bilaterally for Tier 2 activities.

- Support components of the joint programme that are implemented by national partners through the national execution (NEX) modality.
- Support components of the joint programme that are implemented by CEB agencies, where necessary.
- Work collaboratively with partner agencies to mobilize additional bilateral resources for any funding gaps in the joint programmes that may exist.
- Collaborate with partner agencies to facilitate reporting to the Administrative Agent (UNOPS) and EIF Secretariat.