



UNDP THEMATIC TRUST FUND

DEMOCRATIC GOVERNANCE

“GOOD GOVERNANCE IS PERHAPS THE SINGLE MOST IMPORTANT FACTOR IN ERADICATING POVERTY AND PROMOTING DEVELOPMENT.” – Kofi A. Annan, Secretary-General of the United Nations

The United Nations Millennium Declaration represents the strongest unanimous and explicit statement to date of UN Member States in support of democratic and participatory governance. The declaration clearly articulates that the Millennium Development Goals must be achieved through good governance within each country and at the international level. It also states that member states “will spare no effort to promote democracy and strengthen the rule of law” and goes on to resolve “to strengthen the capacity of all countries to implement the principles and practices of democracy and respect for human rights...”¹

As recently as the late 1970’s, there were only 40 countries whose governments had democratic systems of government. Today, over 120 nations, with two-thirds of the world’s population, are engaged in building democratic societies, and many have made impressive progress. But in many cases crime and corruption, social and political exclusion, weak public administration and lack of accountability threaten to dismantle many of the hard fought gains.

The progress of participation and accountability in developing countries will, in turn, be a major factor in whether they meet other international development goals. For instance, Amartya Sen, one of UNDP’s long-time intellectual mentors, has argued that no substantial famine had ever occurred in a democratic country because a government which has to deal with opposition parties, to answer unfriendly questions in parliament, to face condemnation from the public media, to go to the polls on a regular basis, simply cannot afford not to take prompt action to avert threatening famine.² The same is true for addressing extreme poverty and other development priorities.

Progress in democracy is closely linked to progress in protecting human rights — and that, too, is an unfinished business. Five of the six major human rights covenants and conventions have been ratified by more than 140 countries. But while most domestic legal systems now recognize international norms, implementation has been uneven. For instance, in too many places judges still lack independence and face overwhelming backlogs of cases; police lack professional training; and ordinary citizens remain unaware of their fundamental rights.

¹ A/RES/55/2 *United Nations Millennium Declaration*.

² Amartya Sen, “Freedom and Needs: An Argument for the Primacy of Political Rights,” *The New Republic*, Jan 10, 1994, pp 34-35.

In particular, despite the fact that over 160 countries have ratified the Convention on the Elimination of All Forms of Discrimination Against Women, women are still under-represented at all levels of decision-making. In only 16 countries do women have more than 25% of the seats in national parliaments or 20% of the ministerial posts. Globally, two-thirds of all political parties have no women in their governing bodies.

Globalization poses an additional challenge for many emerging democracies. For instance, many developing countries are at a disadvantage because they lack the national policies and institutions needed to manage and encourage trade — from professional customs offices to informed negotiators that can ensure fairness in global agreements. More generally, the international policy agenda has expanded to many issues, from intellectual property rights to climate change, that increasingly require close cooperation not just among governments but also including NGOs, civil society groups, and the private sector.

UNDP'S STRENGTHS IN SUPPORTING DEMOCRATIC GOVERNANCE

The field of democratic development is relatively new to the international community, and ad-hoc interventions often take priority over evaluation and analysis. UNDP offers development partners an opportunity to help support best practices and advance a body of information and knowledge that promotes effective and sustained assistance in this area.

UNDP's niche is well-established. For the past several years, the bulk of the organization's resources — and results — have been in supporting good governance. And thanks to its network of 132 country offices and its partnerships in this field through the Resident Coordinator System, no international organization has a wider reach. Ninety of those country offices reported making significant contributions to democratic governance last year.

Public sector management has traditionally received the greatest attention from UNDP, and there is an increasing focus on strengthening governing institutions including parliaments, judiciaries and electoral bodies. There has also been an increasing demand from developing country partners to support their decentralization and local resource allocation initiatives. Reports show that more than seventy percent of country offices are actively promoting

gender equality in political and community decision making processes.

UNDP's approach to support democratic governance begins with the trust of national governments. Unlike some other organizations, UNDP is seen as a partner rather than adversary — as “the developing country's development organization.” This is partly because of the legitimacy that comes with being part of the United Nations system; partly because of the multi-ethnic and representative character of UNDP's staff; and partly because of the organization's history for fairness and impartiality. As a result, UNDP is often invited to play crucial coordination and resource mobilization functions on sensitive democratic governance subjects. It can work as an agent of change and broker of dialogue with all actors — state, civil society, private sector and other donors.

UNDP has also been a key player in advancing analytical and applied work related to the often-missing link between governance and poverty reduction. Principal findings indicate that even when a country tries to implement economic policies to foster pro-poor growth and mount targeted poverty programmes, weak or unresponsive governance institutions can nullify the impact. For example, in many cases the poor cannot gain a hearing for their views from undemocratic political regimes; they cannot gain access to public services from an unresponsive central bureaucracy; or they have not even been told the services exist.

Finally, UNDP gains great strength from its strategic partnerships with the UN family and other organizations that offer specific governance policy services. Examples include the partnership with the UN Department of Political Affairs in the delivery of electoral assistance services and with the UN High Commission for Human Rights in supporting human rights institutions and operations at the country level. Complementing these UN system partnerships, UNDP also works closely with specialized, world-class institutions from the North and the South including such early partners as the International Institute for Democracy and Electoral Assistance, the National Democratic Institute for International Affairs, the International Foundation for Election Systems, the Inter Parliamentary Union, the American Bar Association and the International Union of Local Authorities.

SCALING UP THE UNDP RESPONSE

In every region, UNDP faces a growing number of requests for policy, technical and programme advice in support of strengthening democratic governance.

So UNDP is establishing a Thematic Trust Fund to ensure quality, consistency and alignment between activities at the country, regional and global level, including policy support services and strategic partnerships. This Trust Fund will be complemented by a rapid disbursement mechanism and systematic financial and activity reporting to donors. It will initially focus on a small group (yet to be selected) of Least Developed Countries and countries in transition or recovering from conflict.

The Thematic Trust Fund has been designed as part of a strategic plan that includes UNDP's most recent Global Cooperation Framework (GCF). The new GCF is a step forward for UNDP because it aligns the organization's global programmes much more closely with country level services. It is already enabling UNDP to re-deploy substantive policy capacity out of headquarters to the sub-regional and country level. This will allow UNDP to respond more rapidly and efficiently to requests from programme countries.

This redeployment includes new specialized policy support services for democratic governance in nine sub-regional facilities, backed up by a global advisory team in New York and a new Thematic Facility on Governance based in Oslo, Norway. The Oslo facility will provide additional policy and technical support services and promote a greater sharing of best practices in the areas of Justice, Human Rights, Empowerment and Conflict Prevention.

Across the organization, there is a greater focus on results and knowledge management. Programmes in the field are designed to allow for the measurement and evaluation of impact. And the new, decentralized network of policy advisors ensures that information about best practices is shared not just with headquarters but also across regions, making south-south cooperation an increasingly important feature of UNDP's work.

COUNTRY-LEVEL SERVICES IN DEMOCRATIC GOVERNANCE

Given the challenges to be met in strengthening democratic governance, the Millennium Development Goals, UNDP's comparative advantages and its business plan, the organization will emphasize six service lines in democratic governance to be delivered through the Thematic Trust Fund. These service lines can be provided at all levels of intervention, are multifaceted and mutually reinforcing. They are demand driven and rooted in country needs to

provide the right mix of policy and institutional responses to accelerating domestic change and global integration.

The services in democratic governance are delivered through a number of strategic processes:

- **Policy advice and technical support**
- **Capacity development of institutions and individuals**
- **Advocacy, communication and public information**
- **Promoting and brokering dialogue**
- **Knowledge networking and sharing of good practice**
- **Strategic partnerships**

Responding to current demand and country needs, the six service lines will be:

SERVICE LINE ONE: LEGISLATURES

UNDP works to ensure fair and inclusive democratic participation through effective function of legislative procedures and processes. Because of the centrality, sensitivity and complexity associated with parliaments in emerging democracies, UNDP is well placed to play a lead donor coordination role. The 2000 Results Oriented Annual Report indicates that within the overall goal of strengthened governing institutions, supporting parliaments was the second most highly subscribed area after human rights. Its activities in this area include:

- **Strengthening the internal organization of legislatures** by building processes and systems that will survive even after current legislators and staff retire. This includes support for the reform of parliamentary committees.
- **Training of parliamentary members and staff** on issues related to their roles and responsibilities as well as professional skill development. This includes conducting orientation programmes, strengthening the functioning of committees, training in legislative drafting and establishing ongoing member and staff training capabilities.
- **Supporting participatory and broad-based constitutional reviews and reforms** that guarantee basic rights, freedom of association, expression and participation, and protection under the law.
- **Strengthening the capacity of political parties and civil society organizations** since they are the principal vehicles linking the electorate to legislative institutions.
- **Empowering women** through initiatives that help them reach positions of political leadership and gain access to legislative deliberations.
- **Promotion of sustainable human development in legislative deliberations** through support for committees and research related to poverty

issues, gender mainstreaming and budget allocations and the application of the Human Development concept to overall development management and review.

Outcome and Impact

- Legislatures to be more assertive as evidenced by: increased effectiveness in conducting oversight of the executive, especially in monitoring budget expenditure and administration; greater interaction with the public on development policy; and improved quality of members' contribution to legislation drafting, reviews and amendments.
- Greater percentage of citizens that appreciate and understand the importance of a constitution and legal system that protects and guarantees civil liberties.
- Establishment of broad-based consultative processes for constitutional reviews and legal reforms.
- New constitutions and laws that protect human rights and expand human freedoms.

SERVICE LINE TWO: ELECTORAL SYSTEMS AND PROCESSES

UNDP supports electoral systems as a primary means for all citizens, including women and the most disadvantaged, to participate in and influence government policy and practice. While the majority of electoral assistance to date has focussed on the electoral event itself, UNDP support is now increasingly led by an emphasis on effective management of electoral systems. This requires management bodies that have the legitimacy to enforce rules and assure fair democratic institutions and processes over time with the cooperation of political parties and citizens. UNDP supports:

- **Independent and permanent electoral management bodies** through assistance for legal reform; institutional restructuring; professional development programmes; greater public information and outreach capacity; and resource management.
- **Inclusive, fair and low-cost elections** through assistance for election planning, monitoring and budgeting.
- **Civic and voter education programmes** to expand democratic participation, particularly for women and other under-represented segments of society. This includes awareness-raising activities to highlight the rights and responsibilities of citizens inherent with a democratic society.
- **Mobilization and coordination of resources for electoral support.** Because of the sensitivity and nature of electoral reforms, UNDP has potential to serve as conduit for third-party and/or cost sharing financial resource contributions. UNDP also helps build national capacity to manage development assistance for electoral reform and processes.

Outcome and Impact

- A measurable increase in the number of permanent, independent and professional electoral management bodies and a measurable increase in the capacity, performance and legitimacy of those already in existence.
- A measurable decrease in the cost of elections per voter.
- A measurable increase in participation in electoral processes, especially among women and disadvantaged groups, measured both in terms of voter turnout as well as other participation indicators such as national monitoring and media coverage.
- A decrease in the incidence of disputed or contested election results.

SERVICE LINE THREE: ACCESS TO JUSTICE AND HUMAN RIGHTS

Improving access to justice is the overall goal of UNDP in promoting reform of the justice sector and the rule of law. Such access is both a basic human right and a practical means to reduce poverty. The Human Development Report 2000 powerfully underpinned global efforts at human rights strengthening (HURIST) and advancing rights based approaches. These have become among the most active areas of the democratic governance agenda. Led by country demand, interventions under this service line include:

- **Simplifying and streamlining legal systems** to make the courts, the police, the prisons and the public registries more professional and accessible. Simplifying legal procedures and training justice sector personnel to deal appropriately with users and the media have proven effective in improving public confidence in justice institutions.
- **Strengthening national public defense systems and improving legal aid for the poor** including activities to make good legal council available and affordable to vulnerable groups such as the poor, women, minors, senior citizens, indigenous groups and prison inmates.
- **Providing legal information for judges, lawyers, prosecutors and public defenders** by making laws and judicial decisions well known among the legal community so the justice system's operators know what the rules are and what the national and international jurisprudential thinking is – particularly on complex or controversial problems such as human rights, environment, bio-genetics and economic globalization.
- **Increasing the availability of legal information for the public** to enhance citizen's awareness of rights and knowledge of how to exercise those rights.

- **Promotion of alternative dispute resolution techniques especially in the application of family and business law.** Included are non-judicial conciliation, arbitration, and mediation as well as the removal of some conduct from review by the formal justice institutions.
- **Strengthening the active participation of civil society in justice sector reform.** This includes advocacy and representation of citizen's issues as well as institutional development of non-governmental legal aid providers, academic institutions, and training institutions for justice sector officials and the public.
- **Promoting international human rights instruments** via support for the effective integration of international legal obligations with domestic law, including through training, monitoring and reporting, as well as raising awareness among women, the poor and other disadvantaged groups.
- **Integration of human rights with development programming** including national human rights action plans and training of national development actors.

Outcome and Impact

- Measurable increase in the effective protection of human rights and civil liberties by national judicial courts.
- Measurable increase in public confidence of the impartiality, professional standard and efficiency of justice sector agencies.
- Measurable increase in the access to public or private justice services by women, minors, senior citizens and prison inmates.
- Measurable improvement in caseload indicators for judicial personnel and measurable reduction in the associated time and costs for providing quality services.
- International human rights instruments ratified; relevant legislation enacted; national human rights action plans developed and implemented.
- Measurable improvements in the ability of programme countries to confront the challenges of the human rights dimension of globalization.

SERVICE LINE FOUR: ACCESS TO INFORMATION

Because democratic governance involves public debate and open decision-making, the organization of interest groups, and the free exchange of ideas, opinions and information is essential. To a greater degree than ever, open media provide a critical measure of progress toward democracy. Access to information and the right of freedom of expression are central elements in ensuring the voice and participation necessary to the development of a democratic, civil society. In this area UNDP activities are designed to:

- **Improve the enabling legal and regulatory environment for freedom and pluralism in public information** by providing policy options and comparative examples of media legislation, codes, cooperation strategies for media development and strengthening e-governance.
- **Develop broad-based information sector strategies**, including media development, sustainability, e-governance and digital divide issues.
- **Strengthen the professional standards, independence and economic viability of media and information institutions.** This includes public, private and non-traditional information services ranging from community-based radio to web-based distribution networks.
- **Train media personnel** emphasizing independence, ethics and media responsibilities in democratic societies. Includes training to expand the number and qualifications of women in the media.
- **Contribute to public policy debates through support for National Human Development Reports (NHDRs)** These reports have promoted human development concepts and knowledge-based policy recommendations in national dialogues through a country-led process of consultation, data collection and report writing. So far more than 360 national and subnational human development reports have been produced by 120 countries.

Outcome and Impact

- Measurable increase in the number of countries enacting open, pluralistic media legislation and decrease in incidence of governments curbing press freedoms.
- Measurable increase in quality of journalistic coverage specifically in terms of independence, professional standards, ethics as well as coverage of women, disadvantaged groups and regions.
- Measurable increase in number and professional qualifications of women in the media.
- Greater number of NHDRs produced and a greater number of countries in which the NHDRs make a measurable policy impact.

SERVICE LINE FIVE: DECENTRALIZATION AND LOCAL GOVERNANCE

UNDP supports decentralization and the strengthening of local governance with the goals of increasing access to services, especially for the poor and vulnerable, and nurturing the values of a democratic culture. This includes creating enabling environments for local participation and accountability. Services in this area include:

- **Promoting the decentralization of authority and responsibility** to provincial, district, city/town

and village levels including through constitutional and legal reform.

- **Support for national decentralization strategies** including fiscal, administrative and political dimensions, with an emphasis on the rights of women and the poor.
- **Improving coordination between key national ministries** to ensure coherence between sectoral decentralization, local planning and budgetary mechanisms.
- **Strengthening the capacity of citizen's groups and local authorities to advocate** for devolution of responsibility and to negotiate for better links among all levels.
- **Strengthening sub-national electoral, legislative and judicial processes**, including training for local elected and non-elected (including traditional) leaders.
- **Promoting a legal and institutional environment at the local level that enables participation of marginalized and vulnerable groups as well as accountability and transparency.** This includes the creation of local civil service cadre with corresponding incentive structures and job security.
- **Promoting responsive local citizenship** through civic education, improved access to information, and support for alliances of the poor and other local partnerships. This includes training local actors through the establishment of on-campus and on-line courses in schools and universities.
- **Improving the enabling legal and regulatory environment for Civil Society Organizations** based on international best practices.
- **Assistance for local needs-based planning and participatory budgeting** especially to steer human development processes to the most vulnerable groups.

Outcome and Impact

- Measurable increase in the number of countries with new policies and legal frameworks for decentralized governance; local participation (especially of the poor and vulnerable); and transparency and accountability at the local level.
- Increased number of countries where local civil service is strengthened and there are improved local service delivery mechanisms.
- Measurable increase in the number of countries with strengthened national associations for local governance and where local actors are trained for participatory systems and processes.

SERVICE LINE SIX: PUBLIC ADMINISTRATION AND CIVIL SERVICE REFORM

Recognizing the importance of responsive, accessible and accountable public administration, UNDP is a leading provider of technical advice on the modernization of state institutions. As a neutral and experienced partner, UNDP is a leader in coordinating external assistance in this field with 90 UNDP Country Offices reporting activities in it last year. The focus of assistance is now on consolidating achievements in individual level capacity building and using this to address the demand for strengthening institutional performance and capacity for public administration and civil service reform. Specific activities include:

- **Promoting a professional, merit-based and neutral civil service** through the adoption of performance management based systems that promote objective criteria in hiring and promotion; equal opportunity for women and minority groups; and reform of wage and incentive structures.
- **Functional reviews in public administrative reform.** This includes strategic activities to help promote ownership of reform and proposing of comparative examples for strategic policy and reform choices. Support activities aim to balance the goals of right sizing the civil service with efficiency and effectiveness gains.
- **Strengthening transparency and accountability within the civil service** through the development of specific anti-corruption legislation and codes of conduct; and through independent mechanisms for oversight, monitoring and enforcement, such as the Ombudsman and Office of the Auditor General.
- **Training of civil servants** about best practices for effectively delivering public services to the people, and especially to women and the poor.
- **Promoting the use of Information and Communications Technology** to enhance the effectiveness, openness and the accessibility of public sector services.

Outcome and Impact

- A measurable increase in the efficiency, transparency and responsiveness of government and administrative structures.
- A measurable increase of professional, gender sensitive and merit-based civil services providing more effective and accessible services to its clients.
- A measurable increase in partnerships to fight corruption.
- A measurable increase in the number of well-functioning oversight bodies that are operationally independent, adequately funded and staffed, and possessing clear mandates and powers to implement their functions and responsibilities.

GLOBAL AND REGIONAL SERVICES AND ACTIVITIES

The Thematic Trust Fund will also finance a limited number of interventions at the global and regional levels, in alignment with the services provided at the country level. These include:

- **The Global Policy Support Network** to support demand for policy and technical services at the country level. This Network is founded on knowledge management principles, lead by a headquarters advisory group and specialized governance policy advisors in nine regional locations (SURF's) and includes hundreds of country office staff involved in democratic governance programmes. By conveying best practices and specialized expertise and building strategic partnerships, the global policy support network delivers world-class policy and technical services with a real-time response.
- **The Global Thematic Facility on Governance** based in Oslo, Norway will provide an additional dimension of substantive expertise, policy and technical support services, and knowledge networking with a focus on justice, human rights, empowerment and conflict prevention.
- **The Global Programme Portfolio** within the Global Cooperation Framework (GCF). A portfolio of new and ongoing programmes at the global level all under the theme of participation — in the areas of human rights, parliamentary strengthening, democratic institutions, local governance, urban management and anti-corruption — work to anchor and align country, regional and global level services.
- **Regional Services** guided by the democratic governance services of five Regional Cooperation Frameworks (RCF's) are focused on providing countries of a shared region with relevant experience, programmes, services and practices in democratic governance from institutions and programmes in their own region.
- **Training** for government counterparts and civil society organizations on emerging policy issues in the democratic governance field and to share regional and global perspectives and experiences.

OPERATIONAL ASPECTS

In order to facilitate UNDP's support to democratic governance, the Thematic Trust Fund (TTF) will

act as the operative instrument over a three-year period to mobilize resources to meet programme country demands. The resources channeled under the Trust Fund will support the UNDP Multi-Year Funding Framework (MYFF) approved by UNDP's Executive Board.

This Trust Fund is a new, more flexible co-financing modality specifically designed for a rapid approval of proposals and swift disbursement of funds at the country level. Some of the features of this modality are:

FLEXIBLE CONTRIBUTION MODALITIES

Donors will be offered the flexibility of contributing funds to the Thematic Trust Fund in a manner that the use of their funds is specified not only for the broader democratic governance strategy theme, but within that, for specific Services (listed in the previous section), region, country, and/or any combination thereof.

FUNDING DISTRIBUTION BASED ON PRIORITIES

In line with UNDP's established priorities and mandate, as well as the Multi-Year Funding Framework (MYFF), the general distribution of resources under the Trust Fund will focus on low-income countries, LDCs and the Africa region, while a proportion of the resources will be used to fund global and regional initiatives.

While the above criteria are indicative for the general distribution of Trust Fund resources, donor contributions with specific earmarkings will be accommodated.

RAPID DISBURSEMENT AND IMPLEMENTATION

Programme countries will be able to access Trust Fund resources through a simplified and short process. In the interest of ensuring rapid disbursement, funding requests channeled through UNDP country offices will be received as a short-format proposal and acted upon on a fast-track basis.

Focusing on priority countries as indicated in the preceding section and under the general resource distribution and/or donor earmarking criteria, individual programme country requests will be considered on a first-come, first serve basis provided the proposals fall within the specified Services of the Trust Fund for Democratic Governance.

MANAGEMENT OF THE TRUST FUND

The management of the Trust Fund will be under the responsibility of the Bureau for Development Policy in UNDP. BDP will have the responsibility for management, oversight and policy design, reporting and substantive backstopping. Standing committees of UNDP's Policy Board in charge of each practice area ensure broad representation of Regional Bureaux in the decision making process,

regarding service line development, allocation criteria and reporting arrangements.

DETAILED FINANCIAL AND ACTIVITY REPORTING

UNDP will report to donors on an annual basis on the use of resources under the Trust Fund. Such reporting will include a certified financial statement on income and expenditure, as well as a narrative activity report. Donor reports may reflect a breakdown of activity and expenditure by Service, Region and Country. Interim financial reports may also be provided on a quarterly basis, if necessary.

On the activity side, an annual narrative report will be printed for distribution to donors and other development partners at large. The report will reflect the results of activities financed through the Trust Fund, as well as planned initiatives and progress towards intended outcomes. It will also provide a general overview of activities in addition to details by country and Service Line, as well as

financial information.

The reporting mechanism will be linked to the recently established UNDP corporate planning and reporting scheme, namely the Results-Oriented Annual Report and the Strategic Results Framework.

MONITORING AND EVALUATION MECHANISMS

Established UNDP procedures for review, monitoring and evaluation will be applicable to Trust Fund activities.

While the approval of proposals will be expeditious, accountability for funds received will be ensured through rigorous post-hoc reporting requirements and standard UNDP auditing procedures.

FUNDS ADMINISTRATION

In accordance with UNDP Financial Regulations and Rules and procedures, UNDP will charge an amount to contributions to the Democratic Governance Trust Fund to cover the costs for administration and related services.

INDICATIVE CONTRIBUTION TARGETS (2001-2003)

Services	(US\$)	Country Level Priority Services	Global & Regional Support	Total
Service 1 – Legislatures		10,000,000	3,000,000	13,000,000
Service 2 – Electoral Systems		10,000,000	3,000,000	13,000,000
Service 3 – Access to Justice and Human Rights		20,000,000	6,000,000	26,000,000
Service 4 – Access to Information		10,000,000	1,000,000	11,000,000
Service 5 – Decentralization and Local Governance		15,000,000	3,000,000	18,000,000
Service 6 – Public Administration		15,000,000	4,000,000	19,000,000
TOTAL		80,000,000	20,000,000	100,000,000

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