



Office of the Resident Coordinator  
United Nations System's Operational Activities  
for Development in Bhutan

28 Feb 2009

Dear Mr. Secretary-General,

**Subject: UN Bhutan 2008 Resident Coordinator Annual Report (RCAR)** On behalf of the UN Country Team (UNCT) in Bhutan, I am pleased to share the 2008 Resident Coordinator Annual Report with you. The Report highlights the UN agencies' activities in support to the national development strategies and priorities as reflected in the Government's Tenth Five Year Plan document 2008-2013. The Report also documents initiatives and results of the Bhutan UNCT towards 'delivering as one UN' through the implementation of a common Country Programme Action Plan (cCPAP) which involves the activities of 14 resident and non-resident UN agencies working in Bhutan, thereby ensuring greater coordination, harmonization and development effectiveness. **Political context**

Bhutan is now a Democratic Constitutional Monarchy following the successful elections to the country's first democratically elected Parliament in March 2008 and the subsequent adoption of the country's first written Constitution on 18th July 2008.

A unique feature of this transformation has been that H.M. the IVth King initiated the process himself without expressed demand from the people of Bhutan, some of whom had even been reluctant to such change on the receiving end. The national assembly elections recorded a voter turnout of 79.4% with more than 50% women. This does not only reflect the commitment of the state institutions to support the democratic process but also provides a solid foundation for a credible democracy.

The country's first elected Parliament is widely representative and includes nine women representatives and nine elected Lhotshampa (ethnic Nepali) candidates, a positive sign for an inclusive national assembly. The European Union Election Observation Mission conducted a comprehensive assessment of the electoral process and reported that the "election process generally met international standards for democratic elections, but fell short in certain areas including the right to stand as a candidate, freedom of expression during the campaign and limitations on freedom of association".

The young Parliament comprises of 72 (47: National Assembly: 25: National Council) representatives some of whom with little experiences in policy making, hence the need for capacity development of the parliamentarians. At the same time, support is required to operationalize the Civil Society Act to encourage the growth of CSOs enabling them to provide the necessary checks and balances to government power. The role of the media needs to be enhanced so that it can play a constructive role in the success of democracy.

Mr. Ban Ki-Moon  
Secretary General  
United Nations  
New York

At its second sitting in Dec-January 09, the new Government endorsed the draft Tenth Five Year Plan of the Government, which was tabled at the 10th Round Table meeting in February 2008. India, as the government's key partner, biggest donor and investor supported all the country's five-year plans and is reportedly assisting the implementation of the 10th Plan with Nu. 34 billion(US\$ 700 million).

The newly elected Government is contemplating expanding its diplomatic links beyond the few existing bilateral relationships. Bilateral contacts with the Permanent Members of the Security Council (P5) are likely to be intensify in the near future, possibly leading to the establishment of diplomatic relations.

**Highlights on progress in UN Reform:**

(i) *efforts to align with the national development processes;*

2008 was a significant year for UN reform in Bhutan, as it marked the first year in the implementation of the common CPAP drawing all the activities of 14 UN agencies together in one single plan. Potential gains in effectiveness and efficiency from combining efforts and resources resulted in a total of nine Joint 2008 AWP, where two or more UN agencies supported common outputs and outcomes. Sector-wide coordination and collaboration with other development partners also picked up in 2008 with the signing of the Local Governance Framework between UNDP, UNCDF, Danida, Austrian Development Agency and the government earlier this year. The World Bank, Denmark and UNICEF are working in a similar framework within the education sector, pursuing Bhutan's endorsement as eligible for the Fast Track Initiative in Education.

The existing UN theme groups, aligned along the broad cCPAP results-areas have been expanded to include key representatives from national implementing partners. The Government representative alongside a representative from the lead UN agency co-chaired the theme groups for the respective thematic area, covering poverty, health, education and gender, good governance, environment and disaster preparedness,. The Theme groups will be responsible and accountable to the Joint Country Programme Board (chaired by UNRC and the GNH Secretary) which is mandated to act as an advisory and oversight body as per the cCPAP. The first UNDAF/cCPAP review is scheduled for March 2009. Some quick gains in the common operational approach with enhanced cooperation among UN agencies and counterparts resulted in greater effectiveness and efficiency in programme planning. The number of planning meetings have been reduced thus saving staff time of government counterparts. Mobilization of funds has been made easier to some extent with many funding windows now looking for integrated proposals with multiple agencies working. Funding gaps in certain programme activities can also be addressed easily through the pooling of funds from other UN agencies.

In December 2008, the UNCT with support from the UNICEF Coherence Fund fielded a mission to Bhutan to facilitate developing a change management framework. The mission recommended documenting the change processes, particularly the milestones and obstacles, since the UN Bhutan had made great strides in UN coherence, which the UNCT required to systematize. The UNCT intends to develop a framework for the change management in 2009.

To arrive at a coherent M&E Framework, a UN M&E group is being established to serve as an advisory group responsible for sharing M&E tools and approaches; providing technical advice in the monitoring/evaluation assignments; providing training/coaching on M&E approaches and methods. One of the first activities of the group was joint training for UN staff and programme staff of implementing partners in Results Based Management, and support to the joint annual thematic reviews carried out jointly involving all relevant UN agencies, existing and potential implementing partners.

*ii) support to the national government in the preparation, implementation, and/or revision of comprehensive MDG-based national development strategies;*

In preparation for Bhutan's participation at the MDG high level event in New York in September 2008, the UNCT supported the updated MDG progress report titled *Bhutan's progress: Midway to the Millennium Development Goals 2008*. The report not only provides stock taking of the progress towards the MDGs, but also affords a critical review and understanding of challenges pertaining to achieving the goals and maintaining them for future generations. The report also offers an in-depth review on common ground and synergies of Bhutan's unique development philosophy Gross National Happiness (GNH) and MDGs, it successfully manages to demonstrate the close relationships between MDGs and the 4 pillars of GNH (Promotion of equitable and sustainable socio-economic development, preservation and promotion of cultural values, conservation of the natural environment, and establishment of good governance.). The report mentions the 9 domains of GNH indicators, which covers the traditional indicators as used in Human Development Reports, but in addition other indicators, relevant for human well-being like diversity of ecosystem; emotional well being ; time use; cultural and community vitality..

*iii) progress the UNCT Bhutan is making collectively in support of the national partners' endeavors towards capacity development and aid effectiveness;*

Capacity development has been an integral part of UN system's support to Bhutan. During the course of 2008, such initiatives were expanded to include common UN approaches such as Results Based Management. As part of the cCPAP implementation, in-country capacity development programs were organized for both national program managers and UN staff particularly in relation to the standard reporting both programmatic and financial.

**Solution Exchange-Bhutan:**

On cost-sharing-basis between the resident UN agencies, Solution Exchange Bhutan was successfully continued as the e-discussion forum. Solution Exchange provides development practitioners access to a wider range of experience and expertise available elsewhere through sharing of knowledge and experiences. The network growth is steady with a current membership of more than 750. Online discussions covered a wide range of topics, such as Women in Politics, which resulted in the formation of women wings in the two parties running for the national elections; the role of Civil Society, which became the basis for a workshop organised by Danida and SNV, the stray dog problem, mechanisms for coping with Glacial Lake Outburst Floods; Methods for Integrating Planning, Implementation and Monitoring at local level and more. The discussions also led to face-to-face discussions on Corporate Social Responsibility in Bhutan; Social and Economic impact on farm road program on rural communities; Buddhism and environment, and Gross National Happiness as a means to measure development.

The newly elected Parliament formed of 21 committees, 14 linked to the National Assembly and 7 in the National Council, related to different development thematic areas including human rights, women and children issues and foreign relations, which provides a forum for the UN to work closely with the Parliament. As a first step, the UNCT and the UN Theme Group organized orientation sessions for the committees whose mandate overlap with the UN-focus areas in Bhutan to inform the committees about the UN-assistance in Bhutan. The

UNCT plans to institutionalise NA/NC committee capacity development programme by reflecting it in a separate AWP in 2009.

Bhutan is not a signatory to the Paris Declaration on Aid Effectiveness, but the UN, other development partners and the government did nevertheless decide to take a snapshot of the performance regarding the Paris Declaration indicators by conducting a survey, based on the global Accra Agenda for Action-survey. The survey showed that the government and the donors already had done much to coordinate its assistance to Bhutan, e.g. through the Local Governance Support Programme, and that measures to simplify the administration had been introduced, e.g. UN's joint adoption of the government's narrative quarterly report template. However, it did reveal that some ministries were implementing more than 30 different project and programmes, and that a continued focus on sector coordination is required and/or possibility to introduce sector wide approaches.

*iv) experiences with Joint Programmes and HACT, as well as other highlights in coordination;*

#### **HACT**

The Harmonized Approach to Cash Transfer was also introduced in Bhutan in 2008. As a result, UN ExCom agencies have implemented FACE for financial reporting and agreed on a joint standard reporting format (quarterly/annual standard progress reports from implementing partners) which is aligned to the national reporting format, as generated through the PLAMS, the Government's Planning & Monitoring system. A training session was organized for core staff from implementing partners and UN agencies to provide a better understanding of HACT and the FACE form. A general challenge aired at the training was that, in spite of the willingness among the agencies and partners to opt for a standard financial report, the process is not 'harmonised', since the agencies still adhere to their respective reporting requirements. In an additional challenge, each implementing partner still reports on an individual basis to the UN agencies, despite having one joint annual workplan.

Furthermore, a total of 20 micro-assessments of national implementing partners have been conducted together with the Royal Audit Authority. The capacity building needs in financial management of the implementing partners have been identified and assessed to strengthen these areas in an assurance plan for 2009 including joint spot checks and other such activities.

#### **Joint programmes/Joint AWPs:**

A positive aspect of joint AWPs and joint programmes is the enhanced coordination of activities and the closer working relations between programme staff of the various agencies. Duplication is avoided, and a more sector-wide understanding achieved. The challenge expressed by both UN agencies and in particular the implementing partners has however been that the joint AWPs, once signed, are split into agency specific fragments, adding up to the transaction costs, as mentioned above this was found necessary due to the agencies' specific reporting requirements to Head Quarter. In 2009, the theme groups will explore how to move from these "pieced together" AWPs toward more genuinely harmonized joint AWPs, and it will be reflected in the 2009 change management process.

In addition to the joint AWPs, a joint project through the United Nations Trust Fund for Human Security, funded by the Government of Japan was launched in 2008. This focuses on addressing issues related to poverty, illiteracy, school enrolment, unemployment and youth, child and maternal mortality and HIV/AIDS through five main interconnected components. The joint programme also faces the above-mentioned challenges, and activities for 2008 were incorporated in nine different annual workplans of the four UN agencies.

### **Simplification & harmonization processes:**

2008 continued to see progress in making common services more efficient and effective, while at the same time ensuring cost savings for the UN agencies. Joint Long Term Agreements have been established for Travel services, Stationeries, Toner cartridges, Vehicle maintenance and spares, Vehicle tyres and Tubes, Conference and catering services. Common Service Contracts for Plumbing, Electrical, and security services have been established. The Operations Management Team is also exploring a 'green procurement' approach in the future to reduce carbon emissions and ensure waste management within the UN in Bhutan.

On human resource management, the UNCT reviewed a report on harmonizing consultant recruitment in early 2008 and recommended to make more distinctions on the qualification criteria. Efforts are ongoing to update the consultants' roster and provide it on-line in 2009. Pooling of UN vehicles particularly for airport drop and pick up has been found effective. The OMT is now looking into the possibility of pooling cars for other officials travels as well, particularly to benefit the smaller UN agencies by reducing their administrative costs while at the same time meet the needs of bigger UN agencies at a lower cost. On staff request, a room in the UN building has been converted to the Breastfeeding room.

The construction of the new UN-house, accommodating all resident agencies, is envisioned to be ready by 2010; it will provide an ideal opportunity for the UN agencies in Bhutan to intensify using common and efficient services. In the near future, the thinking is to have a common shuttle bus at the new UN house. In taking forward the agenda of 'delivering as one', and in preparation for enhanced effectiveness through stronger coherence, UNCT Bhutan has identified a need for embarking on an organizational change management process improving the effectiveness, efficiency and coherence of the UN development system to achieve more concrete results with the first scoping mission for this exercise held in December with assistance from the UNICEF coherence funds.

#### **◆ *Highlights on progress towards UNDAF outcomes in support to the national development priorities***

### **Poverty and data:**

The poverty and data theme group have been working on a number of joint assessments and databases, including a larger Gewog/block socioeconomic profiling (socio-economic database for local level), a poverty mapping, Bhutan Development Index (BDI), a joint national situational assessment in relation to the global food crisis and a stocktaking report of Bhutan's progress: Midway to the MDGs.

The gewog based socio-economic profiles with data disaggregated by gender and population groups established important baselines as well as it provides the much needed information to facilitate formulating targeted pro-poor dzongkhag/gewog plans and programs. In keeping with results based planning during the 10th Plan, the socio-economic gewog profiles will support to set up realistic targets and assist in monitoring and evaluating the Government's MDG based and pro-poor 10th Plan.

Poverty mapping through the small area estimation poverty and food deprivation in Bhutan is underway and the experts of the Massey University, New Zealand have confirmed that it is feasible to carry out the study based on the information collected for the Bhutan Living Standard Survey 2007 and population and the Housing Census of Bhutan of Bhutan.

The Poverty and Data theme group in 2008 supported the development of Bhutan Development Index (BDI) by national institutions such as the Centre for Bhutan Studies and Gross National Happiness Commission. The BDI based on the indicators relating to the 9 GNH domains, mentioned before will be used as the benchmark for all future national development policies and plans. In this context, the Centre for Bhutan Studies has already

identified those indicators through a national level GNH survey and the BDI development was based on the survey findings and analysis.

In response to the soaring prices and global food crisis, the theme group prepared a briefing note identifying how this crisis could affect Bhutan and what type of support Bhutan could get from the actions initiated by UN and other Bretton woods agencies. This initial stock-taking report has been with the government for their comments and follow-up action on this will be determined accordingly.

#### **Health & Nutrition:**

The Health and HIV theme group supported activities which contributed to achieving the UNDAF outcome to increase access and utilization of quality health services with emphasis on reproductive health, maternal and child health and nutrition, HIV/AIDS, malaria, TB and other non-communicable diseases. As priority, the joint AWP 2008 included capacity building of health services providers such as Village Health Workers, Basic Health Unit staff on institutional delivery, safe motherhood and reproductive health issues, PMTCT, voluntary counseling and testing (VCT) care, among others. An assessment of the maternal and neonatal death investigation procedures and forms was conducted including an evaluation of four district hospitals for up-gradation to comprehensive EmOC and newborn services. Essential reproductive health commodities like delivery beds, baby incubators and heaters to ensure woman friendly delivery rooms in the BHUs, MBI Kits and IDD to monitor salt iodine content, and cold chain monitoring equipments such as kerosene mode refrigerators were supplied.

The Ministry of Health hosted the 5<sup>th</sup> South Asian Breastfeeding Partners' Forum in Thimphu to learn the experiences from other countries and plan for the way forward in the field of Infant and Young Child Feeding. The forum came up with Thimphu Declaration on Infant and Young Child Feeding. A National Nutrition and EPI survey was conducted to generate data for evidence based planning and intervention. The report is expected to be out in March 2009.

A number of family planning camps, pap smear screening camps were conducted to reach the un-reach population. High level advocacy campaigns were conducted with the UNFPA Goodwill Ambassador Her Majesty the Queen Mother on reproductive health, teenage pregnancy, drug abuse, sanitation and hygiene, and monitoring of the Multi-sector Task force (MSTF) activities to constantly create awareness to the policy makers, religious groups, young people in and out of schools and rural communities at large. The National Strategic Plan on HIV/AIDS and M&E frame work was developed.

#### **Education and Gender:**

The education and gender theme group supported gender mainstreaming in the government's key sectoral plans and the 10<sup>th</sup> five year plan through capacity building of the National Commission for Women and Children (NCWC), and training of trainers for staff from the Royal Institute for Management in gender analysis and gender mainstreaming. In addition to the community school, water and sanitation facilities construction, introduction of the child friendly approach in formal schools, training of teachers in child-centered methodologies and school feeding programmes, the non-formal education has also been a focus area within the education sector. Fifty rural communities benefitted from this programme.

The UNCT in Bhutan presented a report to the pre-session meeting of the 41st session of the Committee on the Elimination of Discrimination against Women (CEDAW). The joint report was based on the Concluding Comments of the Committee, provided updated information in certain areas and highlighted major progress made in critical areas as well as main challenges and issues considered a priority by the UNCT in Bhutan, including non-resident UN agencies such as UNIFEM. An UNCT member attended Bhutan's plenary CRC-session in Geneva.

The UNCT is also internally strengthening the gender mainstreaming in the programme cycle across all UN agencies to arrive at a common understanding of how to apply gender mainstreaming in UN supported programmes. The UNCT Gender Scorecard Assessment was conducted in December providing further guidance to the UNCT and the gender Theme Group how to strengthen the gender aspect in future programming. The assessment indicates that UNCT performed well in the areas of planning, programming and quality control and accountability. However, it recommended to further improve the areas of capacity development, M&E and budgeting; these recommendations will be addressed in the 2009 work planning.

#### **Governance:**

The governance theme group has in 2008 provided support to key institutions pertaining to the transition from absolute monarchy to a democratic constitutional monarchy. This includes strengthening the institutional capacities and professionalism of constitutional bodies like the Anti Corruption Commission and the Election Commission of Bhutan. The support contributed to the successful election, which was judged free and fair by international observers. Capacity development of independent media houses has resulted in the formation of a journalist association, which is to be endorsed, and a media impact survey has been conducted to guide the media agencies, the journalist association and development partners to strengthen the role of the sector. Also governmental institutions such as the Royal Audit Authority and the Cabinet have received support to strengthen their institutional capacities and professionalism. Support to Civil Society has to a large extent focused on institutions and organizations working for gender equity and violence against women, and the National Commission for Women and Children has been supported to ensure that the national plan of action for gender has been reflected in the development of the 10<sup>th</sup> five year plan in three key areas. Finally, a major task for the UN has been to ensure the Local Governance Framework (2008-2013), the first sector oriented joint framework to be implemented by the Gross National Happiness Commission of Bhutan supported by UNDP, UNCDF, Danida, Austria, JICA and other development partners. The programme has a capital component providing annual grants to local governments, and a capacity development component for local governments.

#### **Environment & disaster risk management:**

In accordance with the UNDAF and cCPAP the environment and disaster management theme group focused on joint activities related to mitigation on potential glacial lake outburst floods and on capacity development and enhanced disaster preparedness at all level and among all relevant stakeholders; from relevant governmental institutions to vulnerable communities. An UNDAC Disaster Response Preparedness Mission in March-April recommended resulted in measures to strengthened governmental preparedness mechanisms. The Disaster Management Division has been upgraded to a Department; an interagency and inter-sectoral table top exercise, which involved highest representatives from relevant ministries, gathered the elements for a National Contingency Plan to be drafted shortly. The draft bill on disaster management will be tabled at the summer session of the Parliament in 2009. Cabinet Ministers have reiterated the strong commitment of the Government in disaster preparedness and response and emphasized the need to train grassroots level communities. Focus was also on schools, which were encouraged to prepare disaster management plans and conduct mock drills. More than 80% of the schools in Bhutan have as a result a disaster management plan in place now.

#### **Implementing UN CARES in Bhutan**

The Joint Team on AIDS was established in 2007 by the UNCT and its responsibilities include ensuring that staff and their families have access to information about preventing transmission of HIV and accessing services. An orientation session on HIV and AIDS in the Workplace was organized for all staff by the Joint UN Team on AIDS. The session helped create an understanding among staff to contribute to a workplace that is tolerant and free from stigma and discrimination, and for the UN to set an example for addressing HIV related issues in the

workplace in the country. During the course of the year, there has been a regular system of informing staff on different ways to respond to HIV and AIDS through the monthly E-newsletter.

### **Strengthened collaboration with Non-Resident UN Agencies**

The cCPAP-implementation has strengthened collaboration with non-resident agencies through joint AWP in various CPAP agreed outcomes. To ensure that the NRAs are systematically informed and as appropriate involved in programming, the NRA are members of the relevant themegroups and included in all the correspondence, in addition to receiving the information on UN programme areas and emerging needs of Government through the monthly E-newsletter.

### **Human Rights:**

Over the last year the UNCT in Bhutan has promoted a positive understanding of human rights through a serie of events commemorating the 60th anniversary of the Universal Declaration of Human Rights (UDHR). Discussion forums have thus far looked at national concepts like Gross National Happiness (GNH), Religion – Buddhism and how these compliment Human Rights principles. The media has also been involved to create awareness on the UDHR and its principles. A conscious move has been noted in that the Bhutanese have started talking about human rights, a subject considered ‘sensitive’ in the past. The Government’s overall aim to promote ‘justice and equity’ and the formation of a Parliament Committee on Human Rights to aid and advice the Government is expected to work collaborate with the UN in 2009 to promote human rights advocating the full realization of Human Rights in Bhutan. The UNCT with funding support from the Dutch government has chalked out some activities in this regard for 2009.

### **UN Advocacy and Resource Mobilization**

The UNCT advanced a common vision on the overall UN role in the country supporting national objectives and priorities in accordance with the SG’s programme of reform. The observance of international days and public forums continued to sensitize policy makers, stakeholders and the general public on key values and issues promoted by UN through targeted advocacy. Bi-annual thematic UN newsletters, focusing on the main priority areas of UN support in Bhutan have been introduced in 2008 and the first two issues covered Education and Health.

Partnerships and support is enhanced from global funding mechanisms such as the Global Environment Facility (GEF), Global Fund for AIDS, Tuberculosis and Malaria (GFATM), Global Alliance for Vaccines and Immunization (GAVI) and the Fast Track Initiative for Education to assist in addressing national needs and financial resource gaps to meet the MDGs. Regular donor coordination meetings have helped promote effective dialogue and interaction of UN system with multilateral, bilateral and non-governmental organizations active in development cooperation.

- ◆ *The key aspects of the proposed 2009 workplan and linkages to ongoing issues of concern within the country:*

Substantial programmatic changes have been initiated in 2008, with the development and adoption of new guidelines, frameworks and templates. It resulted in progress on enhanced UN coordination, but a number of teething problems have been identified. In 2009 the UN in Bhutan will focus on adjusting and consolidating the processes and precedures. Harmonization of programmes will further be amplified by strengthening the roles of the theme groups, by adopting the newly developed common M&E framework, and by jointly reviewing the UNDAF/cCPAP strategies to ensure full alignment to the government’s new five year plan, starting of 2009.

The UNCT will in 2009 devise a roadmap to achieve stronger integration of UN agencies' administration and to review the business processes guiding the UN system towards more effective work flows, especially when moving into one 'operations center'.

The planning unit of Government of Bhutan (the Gross National Happiness Commission), is planning to strengthen donor coordination mechanisms in 2009. The coordination is envisioned to be coordinated around the five year plan and related budget. The RC unit is committed to supporting this work by bringing in external aid effectiveness expertise and by encouraging other development partners to participate.

◆ *Recommendations, if any, for changes in policies, rules and regulations:*

The resident and non-resident UN agencies in Bhutan implemented a common CPAP in 2008, and the whole process was indeed a learning experience for the UNCT. Based on the experiences, the UNCT recommends the following as useful for other country offices moving towards the formulation and implementation of a common CPAP in the spirit of UN-delivering-as-one:

1. Harmonized reporting requirement

A *disconnect* is noted between the planned joint efforts in implementation and the agency specific reporting requirements. Agencies are focused on their individual mandates and requirements, and programme staff find that they under-deliver if they do not embrace all aspects of the term of their pertinent agency. It discourages UN staff as well as implementing partners in pursuing further harmonization.

2. Non-Res Agencies' contributions to cCPAP Outcomes

Clear guidelines from DOCO are required on how to accept/handle contributions/funds from our non-resident UN agencies wanting to contribute to the UN common programming. We see the need to make it easier, simpler and less costly (without service costs) for our smaller non-resident agencies wishing to transfer funds to the UN joint activities/AWPs and contributing to the overall UN-assistance in a country.

3. Additional resources are required to advance the MDG initiatives and taking forward the delivering as one UN process.

4. Common Learning and Training events by DGO

More DGO type regional trainings are required on Results based M&E, programme development, AWPs and HACT would be useful for Programme/Operations staff of UN agencies to better equip them in the new UN-programming tools as part of a common UNDAF/CPAP formulation and implementation and to arrive at a common language in programming and implementation among the different agencies. Joint Heads of Agencies meeting at regional level would foster more UN-coherent leadership at the country level. In 2007, such a joint Asia meeting took place in Bangkok. It benefited the common understanding of UN coherence by creating a common platform and it galvanized the efforts at the local level. Such a platform can assist in really adopting the various harmonized implementation approaches in results reporting, or simplified business practices, for instance.

5. Region-specific and tailored communications on best practices and solutions to issues faced by RCs and UNCTs like:

- Common administrative and business practices: ensuring simplified and harmonized agency requirements at HQ level;

- Harmonized requirements to planning documents and financial/HACT and results reporting and joint reporting for agencies

6. Clarity on role of RDT and its services to UNCTs and RC units would be useful.

7. The UN House construction in Bhutan is a concern for which strong RDT and HQ support is needed. UN Bhutan has been planning the construction of a new UN House for many years. Till date the design has been completed and funding secured, but the implementation of the project is awaiting the outcome of the HQ-level discussion on contract management. UNDP has withdrawn from taking the lead in the construction based on UNDP-board decision in 1997, and proposed the project management to UNOPS, which has requested approx.30% of the building costs in project management costs. This cost increase is now the stumbling block in HQ-level. Any delay in the UN House construction has a direct impact on UN coherence efficiency -for instance, unnecessary staff time loss on travel between offices.