

EXECUTIVE SUMMARY OF THE ANNUAL REPORT FOR THE TRUST FUND

Background

Since its inception in March 1999, the United Nations Trust Fund for Human Security (UNTFHS) has supported 104 projects. The focus and scope of such projects range from enhancing the capacity of displaced and refugee communities in Africa and Afghanistan through media programmes, to coordinating regional strategies that combat child trafficking in South East Asia, to supporting the creation of a programme for regional emergency training for the Asia and Pacific regions.

The substantive management of the UNTFHS was transferred from the Office of the Controller to the Office for the Coordination of Humanitarian Affairs (OCHA) on 16 January 2004. In May 2004, OCHA established the Human Security Unit (HSU), which became operational in September 2004. The overall objective of the HSU is to combine the management of the UNTFHS with the dissemination and promotion of the conclusions of the Commission on Human Security. As such, the Trust Fund is to play a pivotal role in translating the concept into concrete activities and highlighting the added value of the approach to the UN system and the world.

To date, the UNTFHS has been funded solely by the Government of Japan (GoJ), with total contributions of approximately US\$254.8 million and interest earned and unused obligations on trust fund deposits totaling US\$17m as of 31 December 2003¹. 104 projects (21 in 1999/00, 17 in 2001, 24 in 2002, 25 in 2003 and 17 in 2004) have been approved. A total of 47 projects at a cost of US\$54.5m have been completed and 57 projects totaling US\$82.3m are currently being implemented². The GoJ has pre-approved for OCHA's consideration, 21 projects valued at US\$22.9m.

Management of the UNTFHS from 1999 to 2003

Prior to the completion of the report of the Commission on Human security and the revision of the Guidelines, no conceptual framework that clearly differentiated human security from other approaches was available. Subsequently, during the 1999-2003 period, "empowerment" was the deciding factor in selecting projects with the majority of funding being directed towards developmental concerns including key thematic areas such as health, education, agriculture, gender-mainstreaming and small-scale infrastructure development.

Geographically, too, there was no shared strategy between the United Nations (UN) and the GoJ. Project proposals were reviewed on a first-come, first-serve basis by the GoJ, taking into consideration the human security situation of each country and Japan's overall foreign policy considerations. Therefore, a significant amount of the Fund in this period was allocated to Kosovo, Asia and Africa in response to the GoJ's foreign policies. Funding to other regions remained minimal with Latin America receiving a mere 1% of the total funding available under the UNTFHS. A table detailing the funding frequency by region is attached at Annex 1.

¹ The total contribution therefore, including the interest is US\$271.8m

² The total funds for approved projects is US\$136.8m

Table 1: Approved projects by region, number and funding amount (1999–2003)

| Region | Allocation | % Distribution of funds | Number of projects |
|-----------------------|-------------------|-------------------------|--------------------|
| Asia | US\$31.6m | 26.60 | 42 |
| Africa | US\$18.6m | 15.78 | 19 |
| Pacific and Caribbean | US\$6.6m | 5.58 | 6 |
| Europe | US\$52.4m | 44.40 | 14 |
| Global/Regional | US\$7.3m | 6.17 | 4 |
| Latin America | US\$1.7m | 1.47 | 2 |
| Total | US\$118.2m | 100.00 | 87 |

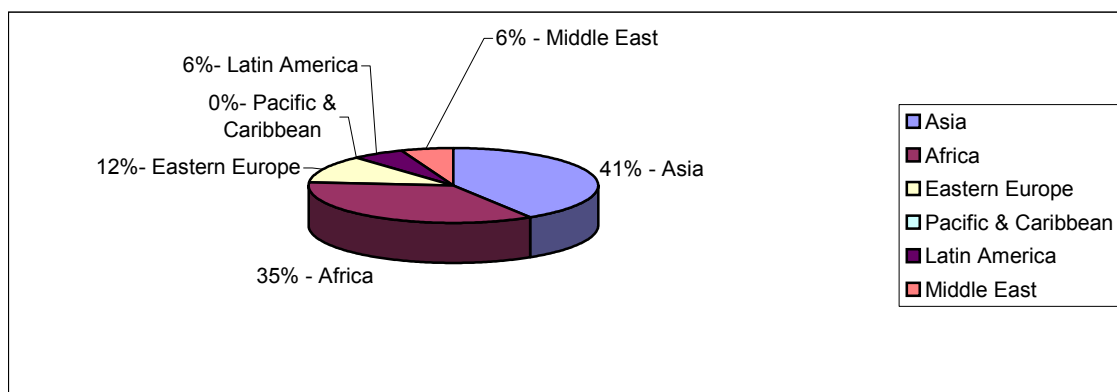
Furthermore, the distribution of funds depended mainly on the efforts made by the applying organizations. For example, since the UNTFHS is well known in UNDP, and due to the proactive stand and the strenuous efforts of UNDP Tokyo/NY offices, the organization has won a sizable part of the Fund. UNICEF too, has developed good expertise in the Fund and subsequently has had many projects approved.

Management of the UNTFHS in 2004

Since assuming responsibility for the management of the UNTFHS in January 2004, OCHA has cleared a four month backlog of pending projects, chaired 11 meetings of the Project Review Committee (PRC) and reviewed 56 project proposals (33 were new projects and 23 were requests to revise on-going projects). A one-year work-plan has also been drawn and discussions are underway with the GoJ on the strategic allocation of resources and the new procedures for project application and approval to help shorten the review process.

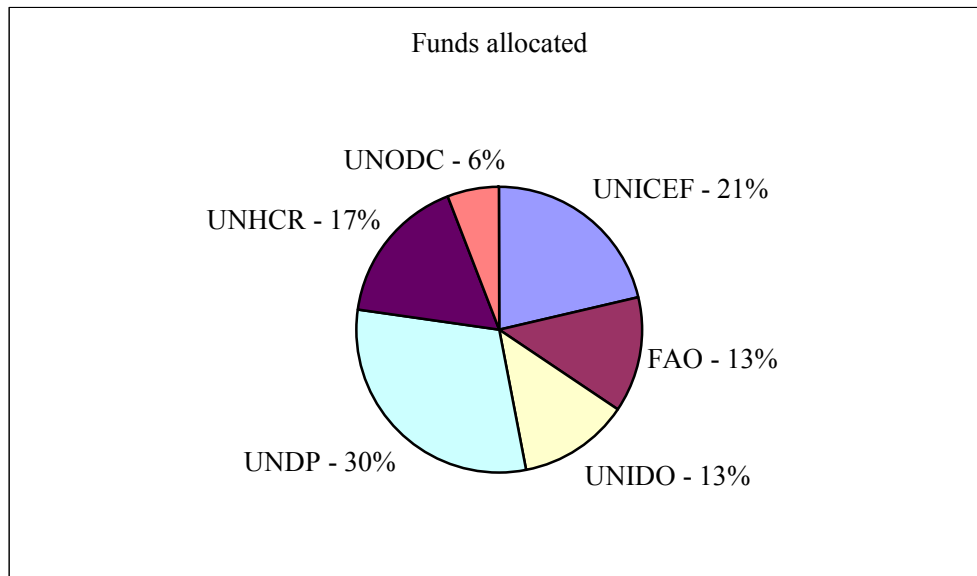
The key thematic areas that have been supported in 2004 are rehabilitation and reintegration, health, food security and child development. Approximately 88% of the 17 projects approved in 2004 are multi-sectoral and are largely applying the guidelines in the formulation of their proposals. A significant amount of the fund in 2004 is still allocated to Asia, Africa and Eastern Europe as shown below in Figure 1.

Figure 1: Distribution of funds by region in 2004



The distribution of funds in 2004 by lead executing agencies is much more even, compared to the way funds had been distributed up to 2003. Between 1999 and 2003, UNDP had a share of 39.8%, UNICEF had 22.1% and 13 other agencies had a share of less than 6.4% each. Although six agencies seem dominant in 2004, 44% of these agencies plan to collaborate with other UN agencies in both the formulation and implementation of the projects. Figure 2 below shows the distribution of funds by agency in 2004.

Figure 2: Distribution of funds by agency in 2004



The following observations are noteworthy from the review of the proposals for projects that were approved since January 2004. A detailed summary is attached at Annex 2.

- a. Most agencies are focusing on vulnerable people, i.e. people living with HIV/AIDS, victims of domestic violence, victims of landmines, disabled people etc., and the projects are aimed at empowering vulnerable people;
- b. Multi-sectoral approaches are increasingly proposed and approved. For example, on one project, the agency proposed to implement a village action plan which emphasized the need to ensure that basic services in health, education, water and sanitation and psychological care were to be provided to the most vulnerable people in the community;
- c. In formulating projects, some of the agencies ensured that there was no duplication with projects, which are funded by other donors in the same country/region. In most cases, governments played a key role in coordinating the work of the various agencies;
- d. Some projects are targeting a cross-sector of groups e.g. small holder farmers, IDP,s, returnees, women's groups and a cross sector of industries;
- e. Some of the projects are using a community based and participatory approach, ensuring strong ownership, based on building existing indigenous capacity to initiate, implement and sustain the projects.

Challenges and implications

1. Application of the human security concept through project activities

The Guidelines of the UNTFHS, as amended and endorsed by the Advisory Board on Human Security (ABHS), seeks to give guidance on the areas and modalities of projects to be supported by the UNTFHS, and to advance the operational impact of the human security concept.

At its first meeting on 16-17 September 2003, the Board recognized that previous projects in many cases focused on a few countries, were dominated by a few agencies, and had paid little attention to multi-sectoral approaches and interagency collaboration. The Board agreed that in moving forward the UNTFHS should, *inter alia*, adopt an integrated approach; promote multi-agency collaboration; engage civil society and other local partners; and pay particular attention to the vulnerabilities of women and children. While the number of projects reviewed in 2004 are limited and therefore can only be indicative of the progress in this area, however, addressing the following challenges will be important in further strengthening the objectives of the Trust Fund.

a. Protection and Empowerment

The strength of the human security concept lies in its two-pronged strategy of protection and empowerment. It recognizes the positive relation between these two variables and it proposes a comprehensive framework in which the norms, processes and institutions that shield people from critical and pervasive threats are complemented by the broad participation and involvement of individuals and communities in preventing and mitigating the impact of such insecurities.

To date, principal among the target beneficiaries supported by the UNTFHS have been vulnerable individuals and communities such victims of conflict, victims of landmines, disabled people, vulnerable women, IDPs, small farmers stricken by extreme poverty. Subsequently, project activities have predominantly focused on strengthening the participation and the capacity building of these target groups. While local ownership and participation are pivotal to establishing effective and sustainable human security frameworks and processes, however, without the engagement and support of the government, the long-term benefits of such funding remains limited.

For this reason, the current scope of activities under the UNTFHS could be broadened to include the active participation of the government leaders at the national and local levels. It is through the government's participation that the Trust Fund can build on the complementarities of the protection-empowerment framework and help identify the gaps in the infrastructure of protection that need to be strengthened. In this context, governments should be encouraged to play a more proactive role in preventing and protecting people from vulnerabilities. Involving governments from the beginning of a project, i.e. from design through to implementation, monitoring and evaluation, increases their support and ownership of the project, and in most cases results in the project's sustainability once funding and outside partnerships have ended.

b. Comprehensive, integrated and multi-agency

At the UN workshop on "The Guidelines of the UNTFHS" on 11 November 2003, agencies and programmes were informed of the ambitions of the promoters of the UNTFHS to make the Trust Fund as not just another source of funding for UN projects

but a key instrument in dealing with critical and pervasive threats to human security requiring multi-faceted interventions on the part of the UN.

In reviewing projects for 2004, it can be said that while multi-sectoral approaches are increasingly employed, the implementation of more than half of these projects remains within a single agency modality. For example, in one project, the provision of basic services in health, education, water, sanitation and psychological care is supported through project activities of a single agency. Therefore, although the project takes into account the multi-sectoral demands of human security, the modality undertaken in implementing these activities remains within a single-agency framework.

Notwithstanding, 44% of the projects have adopted a multi-sectoral/multi-agency approach. While it is too early to assess the true nature of collaboration in these projects, nevertheless, it is important to note that in these cases it has been predominantly the existence of a national or a UN framework that has promoted agency collaboration as, for example, under the auspices of the National Food Security Committee in the project executed by FAO in Ethiopia (or) the UN Humanitarian Action Plan in the project executed by UNHCR in Columbia.

Therefore, to achieve greater multi-agency collaboration will require a more concerted effort on the part of the UNTFHS management. In particular, the HSU/OCHA in cooperation with the GoJ's should play a more active role in linking projects between agencies at the conceptual and the project formulation phases.

2. *Management issues*

a. *Streamlining the review and approval process of project proposals*

One of the most common complaints that agencies express has been that the length of time it took for a project to be approved for funding. It took most of the projects between 18 months and 2 years to be finally approved. The long delays impact on the timing and effective implementation of projects and subsequently the people who are supposed to benefit from them. For example, some of the projects needed to be initiated in a particular season and therefore any delays meant that the project could be set back by a whole year.

One of the biggest factors which has caused this delay is the structural lack of communication and coordination between the United Nations and the GoJ in the reviewing mechanism. For example, under the current procedures for managing the Trust Fund, the UN is not involved in decision making at the concept level. The UN's involvement from the initial stages of the development of the proposals would greatly contribute to an effective formulation of projects and cutting down the time spent by agencies in trying to develop the proposals. In the same vein, close coordination and cooperation between the two entities at the later stages of the review would greatly facilitate the entire process.

There is also a need to clarify the criteria for eligibility and the application process as many of the agencies do not have enough information on how to approach the fund and what they are required to do to get funding. Strides have been made in both these areas since the establishment of the HSU and OCHA is now working closely with the GoJ in drawing up new procedures and criteria that the agencies can use.

b. Strategic allocation of resources

The resources of the Trust Fund have been primarily allocated on ad-hoc basis. The UNTFHS has been more reactive than proactive in determining which projects to fund. Its use has been determined by the project proposals it received rather than by predetermined strategic priorities for human security projects. The UNTFHS needs to have a more focused and strategic way of allocating the resources to get the best benefits from the Fund. A work plan has been drawn up for next year to guide the HSU/OCHA. The Unit will pay attention to those areas of human security that are currently neglected and will avoid duplication with existing programmes and activities.

c. Monitoring and Evaluation

The overall impact of the UNTFHS has not been assessed since the UNTFHS was set up 5 years ago. Although many of the agencies carry out some kind of internal evaluation of the projects, the Fund has never conducted an evaluation of the programme since its inception. It is therefore not possible to determine whether these projects achieved their intended impact. A small selection of project reports were reviewed by the HSU/OCHA to assess the perceived impact of the projects. The HSU/OCHA has undertaken a review of the project reports received from the agencies. Agencies have basically concluded in their reports that the stated objectives have been achieved in the implementation of the projects. However, there has been no independent evaluation of any of these projects.

HSU/OCHA has therefore included in its work-plan for 2005, a proposal to undertake an independent evaluation of a number of selected projects focusing on the impact. OCHA intends to use outside expertise to undertake this evaluation. Follow-up workshops to widely disseminate and discuss the results of the evaluation and the lessons learnt will be held when the evaluation is completed.

**HSU/OCHA
October 2004**