



2006 Resident Coordinator Annual Report Nigeria

Dear Mr Secretary General, On behalf of the UN Country Team, I am pleased to present the 2006 Resident Coordinator report for Nigeria and the work plan for 2007. The report highlights progress made in UN coordination and in the implementation of the UN Reform Agenda at the country level. 1. Country Situation

2006 has been a year of challenges and 2007 will bring change for Nigeria. It is hoped that the forthcoming 2007 sub national and Presidential elections to be held on 14th and 21st of April respectively will hold peacefully however there is always the potential of tensions and eruptions that can hamper movement for programme implementation and increase the need for security. Over the last year, Avian influenza has gradually spread in Nigeria. The first outbreak occurred in livestock in February 2006 and culminated in the first human case in Nigeria in February 2007. Currently, 22 states (of 37) have had outbreaks of Avian influenza over the past year. Conflict in the Delta Region continues to provide challenges for the Government and Private Sector and the Government has committed to making an impact in this area in 2007. However, the situation over 2006 as entailed added security measures for UN presence and resulted in a cautionary approach to UN work in the region.

Nigeria has 36 states and one Federal Capital Territory, a population of just over 140 million people as confirmed by the release of the latest census figures released by the President in December 2006. The country covers 924,000 square Kms, and amounts to 3% of land mass of Africa. Nigeria is one of the biggest and poorest countries in Africa and has immense development needs. The National Living Standards Survey (2004) indicates that relative poverty is around 55%. While Nigeria is the second largest economy in sub Saharan Africa the GDP growth rate is not enough to achieve a rapid and significant reduction in poverty. Growth of the non oil sector has made some progress and is a pillar of the Nigeria Economic Empowerment & Development Strategy (NEEDS 2004-2007) however still falls short of the target of 7.4% per annum. In addition to reducing poverty, the NEEDS focuses on, creating wealth, generating employment and reorienting values. A series of reforms have been put in place to achieve goals set out in the NEEDS. Nigeria's macro-economic policies in 2006, have been consistent with the objectives of achieving macro-economic stability and fostering growth. Overall, real GDP growth for the year is projected at 6.1 Prudent fiscal management and savings by the government, under-pinned by a conservative oil price-based fiscal rule, resulted in a large overall budget surplus, while monetary policy tightening contributed to reduce year-on-year headline inflation to 6 percent at end December 2006, compared with 12.0 percent at end 2005. In recognition of the need for good governance, transparency and the fight against corruption, several measures have already been taken to institutionalise reforms made in these areas. Since the audit of the oil and gas industry by the Nigerian Extractive Industries Transparency Initiative (NEITI) for the period 1999-2004 was completed, remedial measures have been taken, including the appointment of auditors to audit the oil and gas sector for 2005 and 2006. Following the successful and sustained fight against corruption, advanced fee fraud, and cyber crimes by the Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC), Nigeria has been de-listed from the list of non-compliant countries. Nigeria receives very little development assistance at US\$ 2 per person per year, much lower than the African average. In June 2005, the Paris Club agreed to cancel US\$ 18 billion of debt. Nigeria was to pay creditors US\$ 12.4 using part of its oil windfall. By early 2006, Nigeria had eliminated US\$ 30 billion debt. An extra allocation of US\$1 billion was made to well-defined programmes related to the MDGs as part of the Policy Support Instrument (PSI) with the World Bank. The Government of Nigeria committed to spending money saved on debt relief on supporting ministries to advance reforms and make progress on current human development indicators. Nigeria's infant mortality rate is among the highest in Africa. About one million children under the age of five died in 2004. Nigeria is one of only three countries in the world with a continuing reservoir of the wild polio virus. The high maternal mortality ratio is one of Nigeria's biggest challenges with an estimated MMR of 800 maternal deaths per 100,000 live births. About 7.3 million school-age children do not attend primary school and of those who do the quality of education is insufficient to provide them with basic life skills and knowledge. Less than half of all Nigerian households have access to safe drinking water. Estimates suggest that some 35,000 children under five each year die due to lack of good water and sanitation. Nigeria has the third largest population of people in the world living with HIV/AIDS after South Africa and India. An estimated 2.9 million people are living with HIV.

The 4th Quarter Report on the spending of Debt Relief Gains (DRGs) on MDG priorities in the 2006 federal budget indicated that 45.5% of 2006 DRG budget was implemented as of 31 December 2006. Actual end-of-year performance though is estimated at around 60% when factoring in delays in accounts' reconciliation by the Office of the Accountant General of the Federation (OAGF). Delays in the use of DRG funding are mainly attributable to a combination of the thorough due process followed in the procurement of goods and services financed with virtual poverty fund (VPF) resources and weak intergovernmental coordination among service delivery agencies in some key. The 2007 federal budget includes an expansion of the virtual poverty fund from \$750 million to \$850 million. Taking inflation into account the purchasing power of the 2007 VPF is roughly equivalent to that of 2006. The largest DRG allocation goes to education, health, agriculture and water resources. Over one quarter of the 2007 DRGs (\$225 million) are to be channeled through conditional grants to states (\$150 mn) and safety nets programs (\$75 mn). Guidelines for the allocation of both instruments have been drafted and are in the process of being finalised. A Committee on conditional grants will be inaugurated in the first quarter of 2007 and chaired by the Federal Minister of Finance with the Office of the Special Assistant to the President (OSSAP) on MDGs as Secretariat. The Committee will determine the allocation of conditional grants and oversee their impact. A field monitoring mechanism has been established and a report on the impact of DRGs is expected in April 2007.

Summary on progress towards UNDAF outcomes

2. Progress towards UNDAF outcomes

The forthcoming 2007 sub national and Presidential elections to be held in April, have resulted in the Federal Government of Nigeria requesting that the UN System extend the current UNDAF from 2002-2007 to the end of 2008 in order to permit time for the new administration to gain momentum from the end of April 2007 and consolidate its position. Some of the highlights of current progress towards the UNDAF outcomes as developed from the Mid Term Review are noted below.

- Poverty & Good Governance, Human Rights & Gender

Following the UN system lead in cooperation with DFID, EC and the World Bank to support the Government to undertake a SEEDS bench marking exercise to assess the capacity of the 36 states and Federal Capital Territory to deliver effective programmes based on four benchmarks: 1) Transparency and Accountability; 2) Budget and Fiscal Management; 3) Service Delivery and 4) Policy, the NPC has taken full ownership of the process and continues to undertake assessments with States becoming more enthusiastic about participation. Following support to State Governments to develop State Economic Empowerment Strategies, work has also been piloted and a manual developed for supporting Community Economic Empowerment strategies. UNDP and UNODC continue to provide ongoing support for The Economic and Financial Crimes Commission (EFCC). Human Rights desks will be supported in selected states and there will be IE&C and training for effective delivery of civic and voter education. The ILO in collaboration with relevant Government Agencies, UNICEF, UNODC, IoM and civil society have continued to challenge child labour and trafficking in Nigeria. A national Human Rights Report was produced and launched, Staff of the National Human Rights Commission and Civil Society organisations were trained to report on and monitor human rights situations. Six zonal workshops were held to elicit input from relevant stakeholders to develop a National Peace Policy.

The UN Theme Group on gender provided support to finalisation of the 6th CEDAW Report which has been produced and disseminated. UNFPA and UNIFEM have worked to integrate gender across the census programme therefore ultimately improving the accessibility and availability of gender disaggregated data for use on the completion of the joint UN programme on the census. Equally, UNFPA and UNIFEM have also collaborated with national partners and the Ministry of Women's Affairs to raise awareness on gender-based violence and female genital mutilation in Nigeria. UNDP and UNIFEM have conducted trainings to mainstream gender and women's empowerment into development policies. The UNTG on Gender has also helped to support the development of the National Gender Policy which is to be finalised and launched in early 2007. The UNTG on Gender will also review the existing UNDAF Outcome matrices to ensure that gender is mainstreamed and assist in the development of indicators to assess performance. Additionally, UNCT and staff of the UN will receive gender training in 2007 to assist with preparations for the UNDAF II.

- Health & Education

There is increasing collaboration between UNICEF, UNESCO and the World Bank on education in support of the Ministry of Education particularly on UBE, girl's education and HIV/AIDS life skills programmes. DFID and the World Bank are the major donors for education and the Ministry of Education will commit up to US\$22 million for education in 2007. The comprehensive and far-reaching reform and innovation initiated by the Federal Ministry of Education in the latter half of 2006. These are aimed at reorganisation of the FME to restore its role of policy formulation, standard-setting, quality assurance and delivery of tertiary education. The reform has resulted in the rationalisation and harmonisation of the work of the para-statal on education and a reduction in their number; restructuring of the federal financing of education; stronger emphasis on in-service teacher training; improvement in the effectiveness of the Inspection system and strengthening of PPPs in education. On the anvil are plans to revamp TVET and to realign the curriculum to meet emerging needs of a global economy and knowledge society with a focus on value education entrepreneurship and skills training. A READ campaign and an initiative called "Community adopt-a School" have been recently launched. The process of reform has engaged all stakeholders and included a Presidential Forum on Education. The Development Partners have assisted the reform process through sector studies, situation analysis, participation in the policy dialogue with different stakeholders and the preparation of a National Framework and a ten year Federal Plan for Education.

The collaborative work of UNICEF and WHO, in support of the Ministry of Health, on polio and measles has entailed a further reduction of new polio cases in the later half of 2006 and a measles campaign has been conducted in 17 states in the south of Nigeria with 85% coverage. Two PHC facilities and one general hospital in each LGA of 15 states were able to provide basic and comprehensive EmOC. The later part of 2006 has entailed a detailed reform programme for the Federal Ministry of Health supported by the President and UN heads of Agency had a meeting with the Federal Minister of Health in September 2006 to assess how the reforms might be accomplished in the work plans of 2007.

- Conflict Resolution, Emergency Preparedness & Response

The Delta continues to experience conflict and a Human Development Report was produced by UNDP to analyse the problems and propose recommendations. There are increasing requests for the UN System to become more involved in the Delta region and UNITAR and UNEP, both Non Resident Agencies, have started to play a role in the region. UNHCR has led UN System support for conflict resolution and peace building in Taraba State among returnees and other communities other communities... UN support was provided for the first Regional Seminar on Internal Displacement in West Africa. Capacity building support was provided for a workshop on Conflict/Disaster Management of Refugees, IDPs and Returnees. Plan for 2007 include a focus on increasing capacity for early warning systems and networks and conflict prevention. The EPRWG of the UN led the development of the 2nd UN Contingency Plan and supported a UN Retreat on Avian influenza to increase awareness and to identify the necessary components required in the plan. Subsequently an action plan was developed

covering operations, communications, security, medical facilities and Governance and support from OCHA will assist in finalizing the Plan in March 2007. The UNRCO is assisting with the provision of consultants, including support from UNSIC, to provide support to the National Integrated Plan on Avian Influenza. Following stakeholder and risk analysis the Plan is due to be finalised and launched in March 2007.

- HIV/AIDS

Joint UN System technical and resource support to the implementation of the National AIDS Strategic Framework (NSF) 2005-09 has continued over 2006 with the UN providing assistance for the National Action Committee on AIDS (NACA) to review and strengthen its human resource and financial capacity in order to assist delivery. Subsequently, a draft TA framework in support of NACA has been finalised. The Country problem Solving and Implementation Support Team CIST, is fully functional and has supported the restructuring of the CCM and has provided technical support to Rounds 5 & 6 of the GAFTM. The work plan for civil society was reviewed in 2006 and based on lessons learned a new work plan was developed for 2007. UNAIDS and WHO continue to lead on the finalization of the pilot phase of the Nigeria National Response Management Information System (NNRIMS), one joint monitoring framework. A road map for Universal Access to treatment has been developed and rolled out in selected states and an action plan is place for 2007. The Joint UN Programme Team has been set up and comprises of members from all UN agencies. An institutional framework for implementing the Joint Programme on HIV/AIDS has been developed and commented on by UN agencies, UNCT and the UNTG. The framework requires final endorsement and will be operationalised. An operational joint UN Programme is underway in 6 states on HIV/AIDS giving support to the development of State Plans and technical support for prevention, care and support.

- Joint Programmes

The UN has consolidated on its successful implementation of the joint programme to support the census in Nigeria in 2005/06 and has been requested to support the elections process with a joint programme between UNDP (27 million) and UNIFEM (2 million) with donor funding of US\$29.4 million from the EU, DFID and CIDA. Additional joint programmes have been developed on productive sectors (UNDP & UNIDO) and supporting the conflict resolution, peace building, smooth reintegration, rehabilitation and reconstruction of returnees and other communities in Taraba State of Nigeria (UNHCR, UNIDO, UNIFEM, UNAIDS, UNODC, UNFPA, FAO, WHO, and ILO). A joint programme on Avian Influenza will be finalised in March 2007.

Summary on progress in UN Reform

- Strengthening the approach to the UNDAF and positioning the UN System in Nigeria for One UN

Over 2006, there has been a proactive response to the situation to increase awareness of common country processes, UN Reform and the areas of competence required to produce a CCA/UNDAF eg. HRBA, RBM, gender and conflict analyses. An ad hoc UNCT meeting on UN Reform in March 2006 drew attention to the current situation with the UNDAF and elections, and the need to promote UN Reform and coordination issues throughout the UN System in Nigeria. 5 sensitisation workshops on UN Reform, common country processes, and the roles of RC, UNCT and RC office with 90 national staff to promote greater understanding of one UN System, one leader, one programme. A one week training of the UNDAF Technical Working Group staff comprising of 25 members from all UN Agencies on developing a CCA/UNDAF was undertaken. The outcome of the High level Panel on UN Reform was shared with UNCT and the UN working groups on operations, UNDAF, communications, and Theme Groups. Awareness has improved as has ownership of the UNDAF. Following the Heads of Agency Retreat in early 2007, it was decided to consolidate on the achievements to date and form a Programme Management Team led by UNCT members and senior programmes staff to strengthen the UNDAF 1 process by reviewing the matrices, theme groups, and ensuring the UNDAF 1 remains aligned with agency annual work plans in light of the fact that a UNDAF annual review was not conducted in 2006. Additionally, a monitoring framework and calendar will be developed. The PMT will take the leadership role on the development of the CCA and UNDAF in 2007 in preparation for 2009. The CCA is expected to be consultative and to involve national and development partners, civil society and academics. The CCA will be undertaken from March to May and will go out regional readers groups at the end of May. UNDOGO has offered to provide an in country orientation for UNCT members to prepare for the UNDAF II from 7th-11th May and will follow up with support for the UNDAF in autumn (fall) 2007. The development of the CCA/UNDAF constitutes a major component of the UNRCO funding request to UNDOGO.

3. PRSP & MDG-based National Development Strategies

The current PRSP, the NEEDS I is in the last year. The NPC has started the process of developing the NEEDS II 2008-2012. Over the last year the following achievements have taken place. The Head of the NPC participated in the UN Heads of Agency Retreat to present the road map to finalise the NEEDS II. The UNCT prepared a joint UN review of the NEEDS I with recommendations for the preparation of the NEEDS II. The UN has continued to support the finalization of the SEEDS in states and has piloted, with DFID and other development partners, a participatory methodology for developing the LEEDS in 12 LGAs. This methodology is now under preparation for institutionalization with the NPC. The NPC has institutionalised the SEEDS bench marking process and continues to promote it in states with the support of the UN System. The UNDAF II will be aligned with the national planning cycle and as the PRSP is yet to be fully realised, there is sufficient opportunity to align the UNDAF II with the next PRSP, or NEEDS II. The UN System has provided technical inputs on the most recent Government MDG Report. Adequate baseline data and monitoring mechanisms remain a key concern. The UN System provided coordination for a workshop on costing the MDGs facilitated by UNDP Headquarters New York with the Government of Nigeria in October 2006. The outcome was to work with the NPC and Office of the Senior Special Assistant to the President on the MDGs on finalizing sectoral costing of the MDGs, developing a framework to integrate and harmonise costing of the

MDGs with the NEEDS II and to increase the involvement of donors for aid effectiveness in the initiative. An action plan is under preparation to further the outcomes. Four personnel from UN Agencies participated in Regional Dev Info training in preparation for supporting a national monitoring and evaluation framework on the MDGs. Challenges concern the division of labour between coordinating bodies at national level that have different roles and responsibilities for coordinating, costing and monitoring the MDGs. The UNCT is committed to supporting the identification of gaps in baseline data on which to monitor the MDGs and to develop a monitoring framework. The UN will continue to provide support for the development of the MDG Report in 2007.

4. Capacity Development & Aid Effectiveness

The UN System is the key stakeholder in the support of the national programmes on health and education with the use of UN HQ funds and from DFID and the World Bank. All of this work carries a capacity development element. To outline capacity building activities in these areas would entail a lengthy report, therefore some examples are included and further information can be gained from the Results Tables attached. UNICEF, UNESCO and the World Bank have provided for the Education management Information Systems to know how many children are in and out of school. In health UNAIDS, WHO, UNICEF and UNFPA provide technical support to the implementation of national health sector strategic plan 2004-2007. The UN System continues to have a comparative advantage on gender, human and child rights and has supported a gender policy for basic education. UNFPA and UNIFEM have provided sensitization on gender for 1500 stakeholders in 8 states as well as with faith based organisations and over 300 programme managers. UNICEF, ILO and UNODC have supported the establishment of baseline data on child protection thematic issues for example child trafficking, sexual exploitation, child labour and children in conflict with the law. The capacity of law enforcement agencies and judiciary professional groups has been built to implement Child Rights Law. As a result 576 investigation/law officers were trained and 1,100 children and women in conflict with law had improved legal representation, counselling, diversion programmes, and pro-bono services. UNDP and UNICEF have supported capacity building for mainstreaming the environment into development plans and policies and have supported the development of a policy on drought desertification and drought preparedness. UNDP and UNAIDS provided capacity building training to line departments and para-statal on mainstreaming of HIV and AIDS into sectoral programmes and policies. UNDP and UNICEF have strengthened the capacity of 3 key national institutions on poverty tracking and have conducted assessments with 7 states.

UNDP is currently chairing the AID Coordination Forum with the Ministry of Finance and Planning. Work over 2005 involved beginning to assess harmonisation with national and international partners. However, over 2006, the momentum waned and there has been an attempted revival of the group but due to the current situation with many political changes there is a reluctance in commitment all round. However, 2007 presents an opportunity for renewed energy and increasing opportunity with the development of the CCA & UNDAF. The UN currently acts as the secretariat for the Donor Coordination Group on HIV/AIDS. Over the past year the DCG has raised awareness on the importance of the 'Three Ones' at all levels in Nigeria; civil society, state, international partners, and federal level. There is now high awareness. The Donor Coordination Group on HIV/AIDS has moved its agenda from information sharing to fully assess the application of HIV/AIDS resources, the gaps, and what future support is needed in what areas and advocate internally and externally on the results. A full time coordinator, based in UNAIDS, will be funded by the French Embassy. The Donor Coordination Group on gender has been very active over 2005. A mapping has been conducted and this group, supported by UNIFEM which is one of the main operational partners of the DCG, has achieved strong acclaim for the focus on gender and poverty at ICASA in December 2005. The UNRCO is the secretariat to the Donor Coordination Group on Avian Influenza. The UNRCO provides a UN Situation Report based on official Government figures. The UN has produced progress reports on AI which have been used to advocate for a more effective response and to lobby for additional resources. FAO has received funding from USAID and the EU and WHO have received funding from DFID.

5. Harmonised cash Transfers & Common Services & Premises

The Common Services, budget and work plan were finalised for the first time before the end of the year, therefore enabling agencies to plan better in request to HQs. In 2007 the Common Services Unit will be reviewed to ensure that the ever expanding functions of the unit can be maintained. Several existing maintenance contracts will be reviewed. Common services have set up 4 networks have been set up on HR, ICT, Finance and communication. The human resource network has begun the process of standardizing consultant remunerations and other entitlements including DSA. Procurement agreements are being standardized (for example fuel and water). Plans for 2007 on common premises involve a common travel agent, mail/pouch system and conduct an inventory of existing facilities and capacities on logistics and warehousing. A critical path analysis of the transport and delivery chain, conduct feasibility studies on pooled vehicles and maintenance and repairs, and to continue to standardize recruitment procedures, contracts and entitlements.

Over 2006, the HACT Committee has been initiated with membership of Excel agency Deputies with UNRCO as secretariat. At the Heads of Agency Retreat held in early 2007, other UN agencies requested that the membership be widened. A workshop was convened to sensitise the UN System, development partners and Government on the HACT and developed a plan of action to implement in Nigeria (July 2006). The World Bank has shared assessments and appointed a focal point to the HACT Committee. Terms of Reference for the macro assessment have been developed. The assessment will take place in March/April 2007 and the results will be available to feed into the CCA/UNDAF process.

Over 2006, the Inter-agency UN Communications Group was revived with and activities undertaken included support to UN Days, media, events and appropriate material development (May-November 2006). A UN Day event was organised alongside UNAIDS 10th Anniversary and high profile media campaign was launched where Heads of Agencies gave a number of press conferences, radio and television interviews to raise the profile of the UN in Nigeria. The UN Communications Group has developed a work plan for 2007 which highlights branding for One UN, further support to UN days, media campaigns and media training for UNCT.

The joint UN Action Plan on UN Learning on HIV/AIDS is now in full implementation and includes peer education, condom and Femdom distribution, linkages between the UN Dispensary and UN Learning Group on HIV/AIDS with Antiretroviral facilities and community based support services for people living with HIV/AIDS. Confidential voluntary counselling and

testing is available at the UN dispensary. The programme was evaluated favourably by a UNAIDS external review in December 2006. A work plan and proposal have been developed for 2007. The proposal is lobbying for external funds to provide condom dispensers in bathrooms of UN House following a survey about preferences of source. The work plan proposes the continuation of current activities and requires more formalised basket funding from agencies for activities.

Key aspects of the proposed 2007 workplan

This is integrated in the text throughout. progress is discussed and then next steps outlined throughout.

Recommendations

Conclusion

To conclude I would like to thank the members of the UNCT and their staff for making me welcome on my arrival in August 2006. I have benefited from their tremendous support and cooperation over last part of 2006. With the increasing commitment shown towards moving towards one UN and the demonstrated capacity to put formal coordination, programme and monitoring mechanisms to achieve this, I am convinced that we are creating the right environment for an operational one UN in Nigeria. The UN has started to make genuine progress on UN reform with several lessons learned, and following the Heads of Agency Retreat in early 2007, has started to strategically position itself for one UN country programme in planning for the CCA/UNDAF II by introducing additional coordination structures with strong UNCT leadership in order to achieve this. The UN will also position itself for meeting the challenge of one UN by ensuring that the experiences gained from the countries piloting one UN are incorporated into future planning. I would like to thank the Heads of Agencies and deputies for their support and hard work over 2006. I would also like to thank Headquarters in New York for its assistance on a variety of issues throughout the latter part of the year and I look forward to ongoing cooperation for next year.

Sincerely,

Alberic Kacou UN Resident Coordinator

cc: Mr Kemal Dervis, UNDP Administrator Heads of UN Organisations and Agencies