



Your ref: 9.2.3/12/2008

Note Verbale

UNDP presents its compliments to The Austrian Embassy and has the honour to thank you for your communication regarding the financial report for the Group of Friends of the Great Lakes. In a communication with the Secretariat of the Group of Friends in the early part of the year, UNDP prepared the narrative and financial reports for presentation to the board meeting held in the Hague in May, and subsequently finalized the narrative and financial reports and submitted to the co-chairs of the Group of friends in July (copy attached).

The Secretariat had promised that they will share the reports with the respective donors (Great Lakes Group of Friends). I regret that there has been no communication back to you regarding progress made in finalizing the narrative and the financial reports.

UNDP avails itself of the opportunity to renew to the Government of Austria the assurances of its highest consideration and regret any inconveniences that may have been caused in delaying to relay information on the reports as may have been required. I look forward to continued collaboration with the Government of Austria in supporting initiatives on stability and development in the Great Lakes Region.



A handwritten signature in black ink, appearing to be 'J. A. D. ...', written over the UNDP Nairobi logo.

Nairobi, 3 October, 2008

The Austrian Embassy
NAIROBI
Kenya



31 July 2008

Kenya

Your Excellency,

Subject: Submission of the Status of the final version of the "Field Report" on the management of the Group of Friends Trust Fund for the International Conference of Great Lakes Region.

Please find attached as agreed in The Hague, 17 copies of the official narrative and financial report, duly signed for your onward transmission to each of the donor countries of the Group of Friends of the Great Lakes Region.

UNDP avails itself of the opportunity to renew to the co-chairs of the Group of Friends and the ICGLR donor Governments the assurance of its highest consideration and look forward to continued collaboration in the stability and development of the Great Lakes Region.

Sincerely yours,

A handwritten signature in cursive script, appearing to read 'Aeneas Chuma', is written over the typed name.

Aeneas Chuma

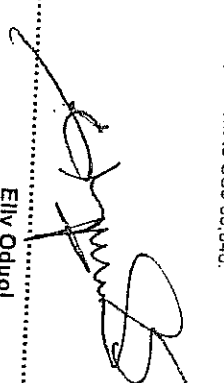
Resident Representative/UN Resident Coordinator

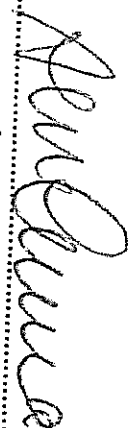
Pierre Giroux
Ambassador
Ambassador for the Great Lakes Region
The Canadian Co-Chair

FINANCIAL STATUS OF PROJECT 00036464 (International Conference on the Great Lakes Region)
as of May 2008
as at 23 May 2008

Donor	Contribution Paid (USD)	Signed (USD)	Income in ATLAS (USD)					Total Income	Expenditure in ATLAS (USD) 17/06/2007					Total Expenditure	Balance (USD)
			2004	2005	2006	2007	2008		2004	2005	2006	2007	2008		
Austria	130,810		0	130,810	0	0	130,810	0	120,118	0	7,856	137,974	2,836		
Belgium	1,534,659 (EUR 500,000) ¹		0	891,165	0	643,494	1,534,660	-47	663,436	227,043	629,168	1,519,600	15,060		
Canada	1,017,805		366,797	219,973	0	431,034	1,017,805	337,473	244,865	67,469	676,726	1,246,533	-228,729		
Denmark	487,092		487,092	0	0	0	487,092	342,806	107,409	16,227	18,157	484,599	2,492		
EC	695,829 (EUR 50,000) ²		0	0	695,829	0	695,829	0	716,704	-16,355	670,349	23,480			
Finland	267,585		267,585	0	0	0	267,585	188,321	59,006	1,888	13,081	262,296	5,289		
France	261,620		0	261,620	0	0	261,620	0	194,658	61,767	44	256,469	5,151		
Germany	353,000		0	402,480	0	0	402,480	0	299,614	102,811	0	402,425	55		
Ireland	254,000		246,305	0	0	0	246,305	173,345	54,314	18,647	33	246,339	-33		
Italy	360,948		360,972	-25	0	0	360,948	254,306	79,258	27,483	-2,408	358,540	2,408		
Luxembourg	127,640		127,640	0	0	0	127,640	89,830	28,150	9,660	-366	127,275	366		
Netherlands	1,268,800		607,000	661,800	0	0	1,268,800	427,195	627,016	212,548	2,065	1,268,823	-23		
Norway	300,000		0	0	300,000	0	300,000	0	294,793	375	295,168	4,832			
Sweden	487,172		269,542	0	277,153	-16,896	529,799	227,517	0	290,537	-152,993	375,061	154,728		
Switzerland	239,033 (CHF 70,000) ³		239,033	0	54,811	0	293,844	167,920	52,845	67,395	3,341	291,500	2,344		
DFID	500,000		0	500,000	0	0	500,000	0	372,210	113,050	15,786	501,046	-1,046		
United Kingdom	500,000		0	500,000	0	0	500,000	0	372,210	113,050	15,786	501,046	-1,046		
Total	8,785,993	1,018,901	2,971,967	3,567,824	1,327,793	1,057,633	8,925,216	2,138,566	3,275,108	2,228,022	1,288,876	8,930,572	-5,356		

Footnotes
1. Contribution of EUR 500,000 equivalent to US\$ 604,595.
2. Contribution of EUR 50,000 equivalent to US\$ 60,460.
3. Contribution of CHF 70,000 equivalent to US\$ 53,846.

Certified By: 
Eily Oduoi
(Senior Assistant Resident Representative)

Approved By: 
Aeneas Chuma
(Resident Representative/UN Resident Coordinator)



**REPORT ON THE MANAGEMENT
OF THE MULTI-DONOR TRUST FUND
OF THE
GROUP OF FRIENDS OF THE GREAT LAKES REGION**

July 2008

UNDP KENYA

With contributions from the

**Technical Advisory Team
of the
Board of Trustees
of the**

GROUP of FRIENDS of the GREAT LAKES REGION

May 2008

1. The instability in the Great Lakes region, particularly in the aftermath of the Rwandan genocide, was considered a threat to international peace and security and led in 1996 to the call by the United Nations for the organisation of a Conference on peace, security and development in the Great Lakes region under the auspices of the United Nations and the Organization of African Unity. This call was followed by a series of special reports and resolutions reiterating the need to organize such a Conference. This implied the recognition of three crucial issues regarding the situation in the region. First, the recognition that the recent conflict in the DRC had regional dimensions; secondly, that the people of the Great Lakes Region are interlinked ethnically, culturally and linguistically that the instability initially generated by purely internal causes in each country quickly spreads to generate and maintain the dynamic of conflict in the entire region; and thirdly, the need to seek, within a regional framework, solutions to the conflict and instability endemic to the region.

2. Although regional consultations by the UN/AU started back in 2001, the project of an International Conference on the Great Lakes Region (ICGLR), gained momentum after all core countries of the region had officially agreed, in the Autumn of 2002, to launching its preparatory process. It was evident from the beginning that the countries to make up the ICGLR should extend beyond the traditional three Great Lakes countries - Burundi, Democratic Republic of the Congo, and Rwanda - because of the wide regional dimensions that conflicts in these states tend to take. The official initial meeting of the preparatory process took place in Nairobi in June 2003.

3. Security Council Resolution 1493/2003 of July 28, 2003 reaffirmed that an international conference on peace, security, democracy and development in the Great Lakes region of Africa, with participation by all the Governments of the region and all the other parties concerned, should be organized at the appropriate time under the aegis of the United Nations and the African Union with a view to strengthening stability in the region and working out conditions that will enable everyone to enjoy the right to live peacefully within national borders. This Conference was seen as encouraging the promotion of regional cooperation to the benefit of all States concerned. Preparations for the Conference had progressed and in its report to the Security Council (S/2003/1099 dated November 17, 2003), the Secretary General indicated that a

A self-constituted Group of Friends of the Great Lakes region is being established under Canada's facilitation. Its objective is to work out coordinated ways of providing political, diplomatic, financial and technical support to the conference. ... The contribution of the international community will be critical to the success of the conference and to the implementation of its outcomes both as a support tool to peace processes in the Democratic Republic of the Congo and Burundi and to the stability, security and development of the Great Lakes region as a whole.

4. On December 4, 2003 the Government of Canada conveyed in Geneva 27 partner countries and 10 International Organisations to launch the Group of Friends of the ICGLR. Canada and the Netherlands were appointed co-chairs of the Group. Besides reviewing the recent developments and objectives of the Conference process, participants at the meeting discussed the financial assistance the international community, through the Group of Friends of the Great Lakes Region, could and should provide the Conference (i.e. its joint UN-AU Secretariat and the countries of the Conference). It was decided that a multi-donor trust fund or basket fund should be established for that purpose and that the co-chairs of the Group should come up with a proposal for the Group's consideration and approval.

The creation of the Multi-Donor Trust Fund of the Group of Friends

5. Three options were considered: a special UN-controlled Trust Fund, a special fund managed by the private sector and a special multi-donor Trust Fund (or basket fund) managed by the UNDP. As the Joint UN-AU Secretariat of the Conference was headquartered in Nairobi and the UNDP-Kenya had a special relationship with the Secretariat, the UNDP proposal was handled by UNDP-Kenya with the assistance of the Africa Bureau of the UNDP Headquarters (New York).

REPORT ON THE MANAGEMENT
OF THE MULTI-DONOR TRUST FUND
OF THE
GROUP OF FRIENDS OF THE GREAT LAKES REGION

6. In January 2004, specific criteria were finalized as guiding principles for the "management" of the Group's Fund:
- Rapidity: from the time a request for funding is officially received by the co-chairs and analysed by their advisors and funds are disbursed, the time-frame initially identified was of 5-7 days.
- Inclusiveness: requests for funding can come from the Joint UN-AU Secretariat, the (core) countries of the Conference National Preparatory Committee (which excludes the co-opted countries) or civil society organisations from within the (core) countries of the Conference. These criteria impacted on who could effectively manage the Group's Fund as some of the intended recipients have their own specific rules and regulations on accepting funds from external entities.
- Exclusions: "overhead costs" such as salaries, utility and telephone bills, purchase or rental of vehicles or rental of office space were excluded as these were considered a normal and appropriate investment by the core countries or the participants within the process.
- Ease of contributions: A final criterion imposed itself when potential contributors to the Fund considered the various options: dealing with a firm from the private sector could force a potential contributor to secure a series of "quotes" and thus further delay the creation and implementation of the Trust Fund.
7. On March 12, 2004 a special meeting of the Board of Trustees of the Group of Friends of the Great Lakes Region gave its final approval for the establishment of the Multi-Donor Fund and its modus operandi as well as entrusted its management to the United Nations Development Programme (UNDP) Kenya country office. The Board also asked the co-chairs to complete the development of two Memorandum of Understanding to govern the both the relationship between the members of the Group of Friends and the second to govern the relationship between the contributors to the Group's Trust Fund and its manager, the UNDP-Kenya.
8. Those linkages between the parties were formalized by the signature of the two Memoranda of Understanding. Beyond the official launch of the Trust Fund, which is another clear indication of the development partners' unrelenting support to the preparatory process, the selection of UNDP was also a welcome development. Besides the UNDP role in the region and with the UN-AU Joint Secretariat, it is worth recalling that the UNDP was the lead agency for matters falling within the purview of the "Good Governance and Democracy" basket of the Conference process.
9. The establishment of the Multi-donor Trust Fund, its modus operandi and the infusion of funds took less than five months and was the object of intensive discussions and negotiations between on the one hand the UNDP¹ and the Canadian and Netherlands Co-Chairs of the Group of Friends and on the other hand the Conference process² and the membership of the Group of Friends³. The Group's Trust Fund became the financial window between the Conference and the Group of Friends as well as another mechanism to allow the Group's partnership with the Conference process.
10. Applying the rules and regulations of the UNDP management system was at the root of the agreement for the management of the Group's Trust Fund and became part of the Fund's rules and regulations. However, there were two very specific exceptions to those rules that applied to all payments made by UNDP and charged to the Group's Trust Fund: (a) the transport and daily per diem rates and (b) the payment only once services were rendered.
11. The first one implied that instead of applying the UN or UNDP per diem rate or meal rate in a specific city, the Group and its Technical Advisory Team develop a "basket rate" (composed of meal rate paid by three or four specific countries for a specific city or area) that was used consistently throughout
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- ¹ The UNDP was represented by UNDP-Kenya and UNDP-NYHQ.
- ² The Conference process was represented by the Joint UN-AU Secretariat, the Department of Political Affairs of the UN Secretariat, the Commission of the African Union, the seven countries of the Conference and their respective National Coordinators as well as some UN Specialized Agencies, including the UNDP
- ³ The membership of the Group of Friends was represented by its Co-Chairs, the members of the Board of Trustees, the potential contributors to the Fund and other members.

the process. For the transportation fee, all air-tickets had to be at the economical rate for the most economical and direct routing however an exception was applied to transportation paid for the Head of National Delegations at a Summit and the Head of the National Delegation at the pre-summit ministerial meeting where business class tickets were allowed if necessary.

12. Another important element of the management of the Group's payment was the absence of "advances" provided to either a National Preparatory Committee, the Joint UN – AU Secretariat or, later on to the Conference Secretariat. All payments were made against an invoice for service rendered and only once the service had been rendered was the invoice paid. This had, at times, a delaying impact on the holding or development of certain activities but it became an important element in the accountability and transparency of the management of the Trust Fund.

13. The Group's initial plans for the Multi-donor Trust Fund were to provide financial and technical support to the Conference process during the "preparatory" phases of the Conference, or until the adoption of the envisaged Pact. However, the membership and the Board of Trustees had insisted on a review of its participation (whether at the level of political, diplomatic, financial and technical support for the Conference) after each phase of the Conference process⁴.

14. To that end, the Group met on four occasions specifically to reiterate this commitment and its intention to provide financial support to the Conference process and its Member States. The first such meeting took place on the margins of the Dar es Salaam Summit at which time the Group formulated the general orientations its support should take. The Group's support was then reiterated during the Ministerial meeting between Ministers of the Group of Friends and Ministers of the Conference on the margins of the General Assembly in New York in September 2005, at a time when the possibility of a postponement of the Nairobi Summit was beginning to be discussed.

15. The Group continued financial support for the Conference process and the extension of the Group's Trust Fund was discussed and approved at two plenary sessions of the Group held in Ottawa (Canada). The first one took place in October 2006, immediately prior to the Nairobi Summit, endorsed the Group proposed support for the establishment of the (follow-up) Conference Secretariat and the promotion of the Pact to be signed few weeks later. The second was in June 2007 and reviewed the achievements of the Trust Fund and of the implementation of the Conference process in the six months following the signature of the Pact in Nairobi. This last meeting also established that the Trust Fund would cease its operation in September 2007.

The governance of the Multi-Donor Trust Fund of the Group of Friends

16. The management structure of the Trust Fund and its administration processes are unique and were designed specifically to provide flexibility in terms of contribution arrangements and pragmatism in terms of management procedures. The financial management (transactions and accounting services) of the Fund is operated by UNDP-Kenya, from Nairobi, and all recognized that the UNDP procedures would satisfy the contributors. Nevertheless, the main governance rested with the Board of Trustees, co-chaired by Canada and the Netherlands.

17. Those who could submit requests for funding had to provide sufficient information for the decision-making process to allow a consensus on funds allocations and admissible projects or requests.

⁴ The first phase ran from the initial meeting of National Coordinators held in Nairobi in June 2003 to the first Summit held in November 2004 in Dar es Salaam. - The second phase ran from December 2004 to the holding of the second summit in Nairobi, in December 2006. This phase can be divided into two distinct financial exercises: (a) from December 2004 to the postponement of the Nairobi summit in November 2005, and (b) from December 2005 to the holding of the Nairobi Summit. - A third phase was then considered by both the Group of Friends and the Fund Manager: i.e. from January to the end of September 2007. It is worth noting that each summit was considered separately.

Specific guidelines and criteria, approved by the Board of Trustees and the manager of the Fund (i.e. UNDP-Kenya) were forwarded at the outset to the National Coordinators and to the liaison officer of the Joint UN-AU Secretariat⁵. The decision-making process was also clearly established:

- a) requests received from the National Preparatory Committees will be reviewed by the Joint UN-AU Secretariat with a view of determining its concordance with the objectives of the Trust Fund;
- b) the requests as well as the comments of the Joint UN-AU Secretariat, and when available from the local UNDP country office, will be reviewed by a special advisory committee (later known as the TAT) reporting to the Co-Chairs of the Group;
- c) recommendations of the TAT were to be forwarded to the Co-Chairs for submission to the Board of Trustees;
- d) the Board of Trustees would consider the TAT recommendations and, taking into consideration the advice provided by the co-chairs, would then determine the allocation to be made to each National Preparatory Committee as well as to the Joint UN-AU Secretariat, if appropriate; and,
- e) the Secretary of the Board and of the Group would then inform the recipient (i.e. the National Coordinator or the Head of the Joint UN-AU Secretariat), with a copy to the Manager of the Trust Fund, of the Board's decision.

This last communication was the authority needed by the Manager of the Trust Fund to initiate its own process to disburse the funds so allocated.

18. Once an allocation or the budget for an activity had been approved and the authority conveyed to both the National preparatory Committee and the UNDP, in order to facilitate the management of each action plan, the board has agreed that the said allocation could be modified as follows:

- a) Re-allocation to be authorized by the UNDP-Kenya (the 5% threshold)
 - the increased amount does not exceed by 5% the original allocation approved for an activity or a type of expenditure while the reduced amount of another expenditure allocation, used to compensate for the proposed increase, does not also exceed 5% (i.e. transfer of 5% of funds from transport fees/costs to per diem or transfer of 5% of funds to carry out activity "A" with a concomitant reduction of the approved allocation and budget for activity "C");
 - any re-allocation of funds cannot reduce the expected or budgeted number of participants for the activity and for which the budget had been established (i.e. the number of participants should remain the same for the approved allocation); and,
 - any re-allocation of funds cannot imply any modification of the objectives and aims of the proposed activity or lead to an exception to the (financial and management) rules of the Trust Fund;
- b) re-allocation to be authorized by the Co-Chairs (the 10% threshold)
 - the increased amount does not exceed by 10% the original allocation approved for an activity or a type of expenditure while the reduced amount of another allocation or expenditure, used to compensate for the proposed increase, does not also exceed 10%
 - any re-allocation of funds cannot reduce the expected or budgeted number of participants for the activity for which the budget had been established (i.e. the number of participants should remain the same for the approved allocation); and,
 - any request for re-allocation of funds exceeding the 10% threshold should be considered as the submission of a new project and a new demand for funding.

19. There have been rare references to the co-chairs to amend budgets for activities between the 5% and 10% threshold. All these requests were during the first phase of the Conference process and were approved by the co-chairs. These revised authorities lead to the establishment of a new general financial authority for the country concerned.

20. The Joint UN – AU Secretariat was more often forced to request increased financial authorities mainly due to increases in airfares or transit time for certain delegations: Angola, RCA and Zambia but to

⁵ A copy of those guidelines is attached for reference (Annex 2).

name a few. Increases in airfare costs were the result of increases in basic air-fares (new rates coming into effect in October and April while budgets had been prepared and approved before increases being implemented by airlines) or, something that more the norm, because National Preparatory Committees waited too often till the last minute to identify their delegations thus requiring special travel arrangements. Also, initially, transit time for certain delegations was initially not factored in at all or adequately. Ultimately, this was corrected and specific rates were established for each event for all delegations that could required transit time on the way in or the way out of a meeting. Also, attempts were made on certain occasions to modify the timing of certain meetings to reduce the amount of transit time required for delegations from the Central African Republic.

**Objectives and funding principles
for the Multi-Donor Trust Fund of the Group of Friends**

21. The Multi-Donor Trust Fund was intended to bring a consolidated financial assistance to the process of the Conference, at both the regional level and within each of the national constituencies. In this regard, the Fund was one of the main sources of financing for the regional activities of the Conference, including, during the first phase of the Conference ⁶, the participation of the Joint UN-AU Secretariat at regional activities. In gathering together the effort of the international community towards the Great Lakes region, the existence and the involvement of the Multi-Donor Trust Fund also reduced risks of duplication of efforts and funding.

22. Ultimately, a strategic approach to funding planned activities during each phase was built on a two tiers system: the national level and regional meetings with the national activities aiming principally at inserting national impetus for the Conference process into the regional agenda and at developing national positions for the various discussions taking place during regional activities. The Board of Trustees also insisted on the need to establish linkages between each activity and the various regional meetings.

23. Despite early and wide discussions with the National Coordinators, a review of the few initial national proposals for funding submitted to the co-chairs showed that more specific guidelines and objectives for fundable activities and programs should be provided to the National Coordinators. This lead the Board and the TAT to inform the National Coordinators, at the beginning of each phase or financial exercise, of the type of activity that would be considered for funding by the Board of Trustees via the Trust Fund and the objectives the various activities undertaken by the National Preparatory Committees should aim at during a set phase or financial exercises ⁷.

The contributors to the Group's Trust Fund and to the Conference process

24. Members of the Group of Friends interested in contributing to the Group's Trust Fund were provided with copy of the Memorandum of Understanding between UN-Kenya and the Co-Chairs of the Group of Friends (i.e. Canada and the Netherlands) as well as the standard "contribution" agreement in relation to this project. It became a given that a contribution to the Group's Trust Fund was an automatic acquiescence (or signing) of the special Memorandum of Understanding concerning the Group of Friends of the Great Lakes Region.

25. We would like to acknowledge the following countries that have contributed to the Group's Multi-Donor Trust Fund and made it such a success as it accumulated a total of US\$ 9,928 million. The contributors to the Funds are: Austria, Belgium, Canada, Denmark, European Commission, Finland,

⁶ The Board later decided that during the second phase the special budget provided by the United Nations to the Office of the Special Representative for the Great Lakes Region should be used to cover expenses associated with the participation of members of the Joint UN-AU Secretariat to the various regional activities.

⁷ These general objectives or aims espoused by the Board of Trustees and other specific guidelines will be mentioned when discussing funding and activities that might be undertaken during each phase.

France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden, Switzerland and the United Kingdom. While not necessarily part of the contributions to the Trust Fund, the re-investment of management fees by both the manager itself (UNDP-Kenya) and the eleven UNDP local offices should also be seen as contributions to the Trust Fund.

26. Throughout the existence of the Group's Multi-Donor Trust Fund and its management by UNDP-Kenya, it was clearly understood by the manager of the Fund (UNDP-Kenya), the Board of Trustees and the contributors to the Fund that the moneys contributed would be managed as in a basket fund rather than separate "bank accounts". However, due to certain problems and difficulties in the management of the Fund and delays and "uncertainties" in the process, a contributor reduced its contribution. The European Commission secured the reimbursement of funds that had not yet been spent or coded against its contribution. Unfortunately, instead of consulting the Board or the Co-Chairs on the modalities to effect this "payment", UNDP-Kenya did not apply the pro-rata formula that should have governed any such request but rather paid the amount requested by Commission. The Fund then faced a "shortfall" of some US\$ 513,000 dollars instead of US\$ 63 000 as the Commission should have received instead a refund of 12,18% of the unspent amount of its contribution at that time.

27. While this report reviews the Group's Trust Fund, we cannot leave out special contributions to the Conference process provided by some members of the Group. These contributions consisted either of technical assistance at the national (to a National Preparatory Committee) of the regional (to Joint UN-AU Secretariat) levels or in financial assistance to specific national activities or programs. Among those special contributors, we would like to mention Belgium, Canada, Germany and the Netherlands that contributed financially to the Conference process through their bilateral official assistance programs. While Canada and South Africa provided an expert each on the issue of "exploitation of natural resources", the following countries provided experts during the various Thematic Technical Task Forces meetings of the second phase: the African Development Bank, Belgium, Canada, European Commission, Germany, The Netherlands, South Africa, the United Kingdom and the United States of America. Another worth noting contribution is that of the specialized agencies of the United Nations system that were lead agencies for each of the four clusters^a.

The beneficiaries of monies from the Group's Trust Fund

28. The beneficiaries of the Group's Trust Fund were the eleven National Preparatory Committees, the Joint UN – AU Secretariat and later on the Conference Secretariat, the hosts of the two summits and the manager of the Fund. The NGO community has not been a direct beneficiary of the Trust Fund despite receiving a special attention.

National Preparatory Committees

29. Each core country or Member State was to establish a National Preparatory Committees (NPC) which was to serve as the national mechanism to

- Develop and orchestrate the national positions
- Organise the national participation at all the regional meetings and
- Ensure the appropriate national "buy-in" of the process.

The NPCs have a mixed composition of governmental and non-governmental actors, thus cutting across all segments of society.

^a The *Peace and Security* cluster was under the leadership of the Joint UN-AU Secretariat and the Department of Political Affairs (DPA) of the UN Secretariat; the *Democracy and Good Governance* cluster was assigned to the UNDP; the *Economic Development and Regional Integration* cluster was left to the UN Economic Commission for Africa and in particular its regional office for the region headquartered in Kigali; the *Humanitarian and Social Affairs* cluster was allocated to the Nairobi Regional Office of the Office of the Coordinator for Humanitarian Affairs.

30. The NPCs were divided into four thematic working groups along the lines of the four themes of the Conference: Peace and Security; Democracy and Good Governance; Economic Development and Regional Integration; Humanitarian and Social Issues.

31. The establishment and operationalization of as well as activities carried out by each NPC varied according to each core country but in the end all were established. Their functionality was most evident during the second phase of the Conference and more precisely during the work of the various Thematic Technical Task Forces.

32. To carry out their mandate, the NPCs have held cross-cutting issues and thematic consultations as well as plenary meetings to set out priorities and strategies on regional issues. The Group has funded NPC activities throughout each phase and sub-phase of the process.

Joint UN – AU Secretariat

33. As the organizing Secretariat of the Conference, the Joint UN-AU Secretariat was headed by the Special Representative of the UN Secretary General for the Great Lakes Region and the Special Representative for the Great Lakes Region of the President of the AU Commission. The personnel of the Secretariat were provided by the United Nations as well as the AU Commission.

34. While the United Nations had provided a limited independent budget to the Office of the SRSG, the more precarious financial situation at the African Commission meant a more cautious fiscal management of its participation or contribution to the activities of the Joint Secretariat. However, it is important to stress that the African Commission has provided major "in kind" support to the organisation of various meetings (translation services) and the two Summits.

35. During the first phase, besides funding the various regional meetings, the Group of Friends contributed to the participation of members of the Joint UN – AU Secretariat at regional meetings. However, the Fund did not provide any financial assistance for the participation of members of the Joint Secretariat at regional meetings taking place following the Dar es Salaam Summit.

36. During the first phase also, the African Commission received a special support of US\$ 50 000 to offset some of its "in kind" contributions related to specific regional meetings. This contribution was not repeated during subsequent phases or sub-phases.

37. However, the Joint Secretariat received during all phases funding from the Trust Fund to organise the various regional meetings during the first and second phases. Due to its linkages with the various UNDP offices within the Conference territory, the Joint Secretariat also received specific funding to ensure the participation of delegates to the two Summits.

Conference Secretariat and National Coordinators Special Committee

38. During the aftermath of the Lusaka Regional Inter-Ministerial Committee meeting (July 2005), a special committee or task force of National Coordinators was established to develop the structures and modus operandi of the "Conference Secretariat" that would succeed to the Joint UN – AU Secretariat following the signing of the Pact on Security and Stability and Development in the Great Lakes Region. Initially, financial assistance to the special Task Force was channelled through the Joint UN – AU Secretariat as most of the expenditures were add-on to other expenditures in the framework of other regional meetings.

39. Following the conclusion of the Nairobi Summit, the establishment of the Conference Secretariat became a priority and the principle of special funding for that purpose had been approved during the October 2006 Ottawa plenary session of the Group of Friends. The Conference Secretariat became a special recipient and beneficiary of the Trust Fund with special management arrangements being developed with the UNDP – Burundi office via the manager of the Trust Fund.

The Host of the Summits

40. The Co-Chairs and the Board of Trustees considered early on that hosting a summit would impose a special burden on the host country. It decided to task the Technical Advisory Team to determine the Group's contribution to the Summit taking into consideration the respective financial responsibilities of the various contributors to the Summit: the host country, the Joint Secretariat, the African Commission and, also, the Group of Friends.

41. During the discussions on what could be the Group's contribution to each summit, the TAT had to ensure that the host country's national preparatory committee would distinguish between activities, taking place on national soil, for the summit and national activities carried out in preparation for the summit. A similar approach had to be taken also by the local UNDP office as it was managing both accounts (the national activities funded by the Group and the expenditures underwritten by the Group as part of its contribution to the summit).

42. In view of the special nature of the event, some special rules were established by the UNDP-Kenya and the local UNDP office to ensure that accountability of funds entrusted to the National Preparatory Committee for a summit remained at the forefront while at the same time recognizing two important elements: security and timeliness. A certification that measures undertaken by the National Preparatory Committee in securing services from outsiders for the summit were in conformity with the usual national procurement regulations was also sought by the UNDP.

The UNDP – Kenya as manager of the Fund

43. As part of the Memorandum of Understanding between the Group of Friends and the UNDP, as manager of the Multi-Donor Trust Fund, the Group of Friends contributed to a one-time capacity-building seminar for the local UNDP and the NPCs' liaison officers. The Trust Fund covered the transport and living expenses of the NPC's participants while all other costs were assumed by the UNDP.

Non-Governmental Organisations (NGO)

44. While the Conference process and the various governance institutions within the Group of Friends particularly defended the continued participation of representatives of regional and national Non-Governmental Organisations (NGO), none of these organisations received directly funding from the Group. Participation of representatives of regional NGO was ensured through the Joint UN – AU Secretariat (which received specific funding to that effect) while that of national NGO was the responsibility of the each National Preparatory Committee.

45. The Mwalimu Julius Nyerere Foundation and the Youth League of the Great Lakes Region were directly involved in the organisation of respectively the Youth Festival (Kampala, September 2004) and the Regional Meeting for NGOs (Arusha, September 2004). The third specialized regional organisation involving primarily NGO participants was the one for women organised by the Rwandan National Preparatory Committee and which took place in Kigali in October 2004. Funding for these special regional meetings was channelled through the Joint UN – AU Secretariat and, except for the participation of some experts from these two NGOs, the NGO itself did not received any special fee for its organizing role.

46. The financial aspects related to the participation of representatives of regional NGOs during the various regional activities and meetings and summit were handled via the Joint UN – AU Secretariat and no funds were directly paid by the Trust Fund for that or any other purpose.

47. However, on various occasions, representatives of the "regional" NGO community participating in regional meetings approached either the Co-Chairs of the Group of Friends or the conference participants to ensure that certain NGOs would have special recognition within the process and be entitled to special

funding from the Group of Friends. At the conclusion of the Luanda Regional Preparatory Committee (October 2005), the National Coordinators and the Joint UN – AU Secretariat recommended to the Group of Friends that participation by regional NGOs would be handled by the Joint UN – AU Secretariat while the National Coordinators will ensure appropriate and adequate NGO representation at all/all regional meetings, including the Summits.

Reporting on activities carried out and financed by the Trust Fund

48. The TAT asked on three specific occasions (at the beginning of each phase, when providing NPCs with their financial authorities and when sending the objectives for the following period) that National Coordinators reported on their activities and use of funds provided by the Group of Friends. While some answered eagerly and provided the TAT with voluminous documents and reports of activities carried out, others indicated that the value of each activity carried out and financed by the Group of Friends would be highly visible in the quality of the national positions defended during the various regional meetings. The area where reporting would have, however, been helpful was on activities aiming at generating "buy-in" within the general population.

49. National Coordinators also argued that the local UNDP office was fully aware of the various activities carried out by each NPC as the local UNDP office was responsible for all the minute details of the "financial aspects" of each activity. While the local UNDP office would certify that an activity took place and that the number of proposed participants attended the event, all recognized that a report on whether an event met its objectives or new ones would be highly subjective.

50. Finally, the value of each event and, overall, of the various national action plans could be determined by the demonstrated public interest in participating in many of these events and by the fate reserved to the Pact, its ratification and ultimately its implementation at the national level.

51. Reporting at the regional level was far more automatic and normal as following each activity reports were generated. The Joint UN – AU Secretariat was producing a complete report of the events as was the Co-Chairs of the Group of Friends. Furthermore, the evolution of the voluminous documentation produced by the Conference also constitutes a reporting on the importance of each meeting. Finally, the long term impact of the Dar es Salaam Declaration and of the Pact on Security, Stability and Development in the Great Lakes Region must be seen as a testimony to the value of the Conference process.

The first phase from the launching of the process to the Dar es Salaam Declaration

52. For the Trust Fund, the first phase of the Conference process began with the establishment of the Trust Fund (some eleven months after the launching of the process) and concluded with the adoption of the Dar es Salaam Declaration during the November 2004 summit. It is worth noting that the original six National Preparatory Committees had expenses during this hiatus which were absorbed by the countries themselves and should thus be considered a contribution by these countries to the whole Conference process.

53. As envisaged by the Board of Trustees, the funding for the first phase covered:

- a) the proposed regional meetings as presented by the Special Representative of the Secretary General (of the United Nations) for the Great Lakes Region) during the Geneva meeting that established the Group of Friends; and,
- b) national activities that would allow each NPC to prepare national position for the Regional Preparatory Committee meetings (RPCs) to draft the Dar es Salaam Declaration and for approved regional meetings organized by the Joint UN - AU Secretariat, such as the regional Youth Specialized Conference, the regional consultation of Non-Governmental Organisations and the regional meeting for women organisations. Such activities could take the form of popular consultations or workshops, meetings of civil society organisations and NPC meetings on each of the four themes.

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54. The Board also reviewed its guidelines and agreed to provide each NPC with financial and technical support to ensure that it is adequately equipped to meet its obligations. To that end, an allocation was granted for the purchase or rental of equipment (such as computers, fax or photocopiers but excluding vehicles) or secretarial supplies to be disbursed by the UNDP local office in accordance with UNDP's disbursement and procurement procedures. The National Coordinators and the NPCs were reminded that these funds were not to be used for payment of salaries, honoraria or other items deemed excluded as indicated in the January 2004 guidelines.

55. Board considered the appeal by the National Coordinator of the Democratic Republic of Congo to provide his NPC with more room for the management of its financial authorities and more financial possibilities on the basis of the DRC central role within the Conference process and the size of the country. The Board recognized this valid argument and

- a. agreed the NPC might have to hold more regional consultations, including NPC consultations to prepare and organize some national meetings,
- b. recognized that the number of participants at national or provincial meetings could be higher than for activities organized by other NPCs.; and,
- c. decided to double the financial and technical support for the NPC with the specific aim of establishing a separate secretariat (or NPC office) in the eastern part of the country.

56. Finally, the Group was facing some cash flow problems and major difficulties in securing all envisaged funding requirements, as it has not yet received as of May 2004 all action plans and detailed budget proposals from National Coordinators. The Board nevertheless decided not to delay the process any further and authorized the Trust Fund manager to disburse up to 50% of the approved national allocations approved by the Board with the understanding that as soon as the Group would have secured additional funds, the UNDP would be authorized to disburse the balance of the approved allocations. It is worth noting that none of the NPCs or the Joint UN - AU Secretariat were faced with unpaid invoices or had to postpone or cancel any activity due to cash flow problems within the Trust Fund.

National budgets and activities

57. The summary of national expenditures during the first phase is as follows:

Country	Board's authority	Recorded expenditures ⁹
Angola ¹⁰	US\$ 40 000	US\$ 0
Burundi	US\$ 179 600	US\$ 87 516
CAR	US\$ 40 000	US\$ 37 131
DRC	US\$ 511 000	US\$ 276 906
Kenya	US\$ 205 600	US\$ 30 532
Republic of Congo	US\$ 40 000	US\$ 0
Rwanda	US\$ 229 500	US\$ 50 040
Sudan	US\$ 40 000	US\$ 0
Tanzania	US\$ 202 200	US\$ 57 616
Uganda	US\$ 265 425	US\$ 216 878
Zambia	US\$ 191 250	US\$ 26 060
Total	US\$ 1 944 575	US\$ 782 679

⁹ While the Board's authority did not take into consideration the UNDP management fee (3% of amounts paid), the recorded expenditures do include them since those are automatically from the funds available whenever there is a payment made.

¹⁰ Angola, the CAR (Central African Republic), the Republic of Sudan and the Republic of Congo joined the "core group" of countries of the Conference process during the second Regional Preparatory Committee meeting in Kinshasa (October 2004). A special authority of US\$ 20 000 for technical support and US\$ 20 000 to carry out initial activities was then provided to them.

58. The variances between the financial authorities and the recorded expenditures can be explained by the initial time spent by the various NPC in establishing themselves and "launching" the national process at all levels. Furthermore, if plans envisaged holding various meetings between May and September 2004, the reality of summer holidays and other activities return prevented most of the NPCs to carry out their activities. In some instances, NPCs held seminars and meetings and funding was provided initially by bilateral donors.

Regional Activities

59. During the first phase, three types of regional meetings took place. There were the specialized meetings for the civil society, those of the Regional Preparatory Committee and finally the Summit. The summary of regional expenditures during the first phase is as follows:

Meetings	Board's authority	Recorded expenditures ¹¹
4 th mtg of National Coordinators	US\$ 28 378	US\$ 7 747
1 st RPC – Bujumbura	US\$ 135 900	US\$ 119 582
Specialized – YOUTH ¹²	US\$ 110 000	US\$ 205 802
Specialized – NGOs	US\$ 90 000	US\$ 124 490
Specialized – WOMEN	US\$ 135 855	US\$ 102 611
2 nd RPC – Kinshasa	US\$ 256 950	US\$ 221 347
3 rd RPC – Kampala ¹³	US\$ 217 532	US\$ 232 633
Summit	US\$ 982 020	US\$ 785 291
Translation services	US\$ 60 000	US\$ 23 090
Service/Management fee		US\$ 39 121
Total	US\$ 2 006 095	US\$ 1 861 733

The regional meetings of civil society representatives

60. Three specialised meetings were organized during the first phase: one for the youth, one for the civil society and one for women organizations. These meetings allowed such vital groups, representing the core and majority of the Great Lakes Region's society, to have an independent say in the process of the Conference, in addition to their contribution within each NPC. The discussions touched on the four themes of the Conference. These regional specialized meetings were preceded, in most of the core countries, by a "national" preparatory meeting. The conclusions reached at each specialized meeting, all in the form of individual Declarations, were read at the Dar es Salaam Summit.

61. The first specialised meeting was a youth meeting which took place on 12 – 17 September 2004 in Kampala and involved the youth of the Great Lakes region under the auspices of the Great Lakes Region Youth League. The meeting adopted the Kampala Youth Declaration on Strategies, Principles and Programmes of Action on the role of youth in the four thematic areas of the International Conference on the Great Lakes Region.

62. Secondly, a meeting of regional NGOs coordinated by the Mwalimu Julius Nyerere Foundation took place in Arusha on 20 - 24 September 2004. The participants adopted the declaration of NGOs of the Great Lakes Region on Peace, Security, Good Governance, Economic Development and Regional Integration, highlighting key challenges to peace, stability and development in the region.

¹¹ UNDP management fees are accounted for separately at this level.
¹² Some of the expenses tabled here for the Youth Regional Meeting include also expenses incurred by the Ugandan National Preparatory Committee in preparation for their National meeting for the Youth.
¹³ The inclusion of the four new core countries added to the transit cost for two delegations that had to be in Tanzania for a lengthier period of time prior to and immediately after the Summit.

63. The third meeting, for women organisations, took place in Kigali on 7 – 9 October 2004. The concluding Declaration raised the issue of the multi-dimensional conflicts in the Region and the end-results of untold suffering of communities, especially women and children, and loss of human lives. The Declaration also urged the respective governments to accelerate the ratification of the AU Protocol on Women's Rights.

The Regional Preparatory Committee Meetings

64. Until the adoption of the Pact during the Nairobi Summit (2006), the Regional Preparatory Committee was the multi-sectoral and multidisciplinary forum and the "substantive" driving force of the whole process.

65. During the first phase, three Regional Preparatory Committee (RPCs) meetings were held, each with distinct goals. The first RPC was to identify the root causes of the regional conflict; the second was to identify possible solutions. The goal of the last scheduled RPC for the first phase was to combine the results of the first two meetings into a draft to be adopted at the Dar es Salaam Summit.

66. The first RPC took place on 6 – 10 September in Bujumbura. It was the first such meeting during which representatives from government and NGOs from the core countries that barely came out of the conflict, sat side-by-side and discussed issues that were at the heart of the tensions and conflicts in the Region.

67. The second meeting was held on 19 – 23 October 2004 in Kinshasa. Besides officially welcoming four new core countries (Angola, Central African Republic, Republic of Congo and Sudan), the participants further analyzed the challenges, policy options and shared visions for the region on the basis of the initial conclusions of the Bujumbura meeting. They also considered the recommendations formulated by the specialized meetings of the youth, women organisations, and NGOs.

68. Uganda hosted on 8 – 10 November 2004 in Kampala the third RPC, on the eve of the Dar es Salaam Summit. Participants at the meeting finalized a draft of the Declaration for the Summit. The proximity of the Kampala meeting and the Dar Summit imposed undue difficulties for at least two delegations, Central African Republic and Angola, taking into account the limited travel possibilities. Representatives of these two countries were thus authorized exceptionally, to either stay in Kampala or move as soon as possible to Dar es Salaam. This situation had an impact on the financial management of the Kampala meeting and with the Summit.

The Dar es Salaam Summit

69. This summit was the climax of the first phase. It set the stage for the governments of the region to reiterate their commitment to peace, stability and development in and for the region and to build confidence between leaders. The discussions demonstrated the leaders' shared vision for the region and their political will to transform it into a peaceful space with sustainable security and political stability. It was concluded by the solemn adoption and signing of the Dar-es-Salaam Declaration on Peace, Security, Democracy and Development in the Great Lakes Region.

The second phase:
The translation of the Dar es Salaam Declaration into actions

70. For the Trust Fund purposes, the second phase of the Conference process began immediately following the adoption of the Dar es Salaam Declaration and concluded with the Nairobi Summit, which ultimately took place in December 2006. Following the Group's meeting in Dar es Salaam, the Co-Chairs of the Group of Friends wrote to the National Coordinators on December 3rd, 2004 calling for national action plans to be submitted the following month.

71. For the Board of Trustees, the funding for this period covered:

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- a. a series of regional technical, preparatory and ministerial meetings that would translate into protocols and projects the shared vision defined by the Heads of State and Government of the Great Lakes Region when they signed the Dar es Salaam Declaration; and,
- b. support for the National Preparatory Committees as follows:
 - i. activities to promote the Dar es Salaam Declaration and ensure its buy-in by the larger population;
 - activities and expertise to prepare positions and projects translating the Dar es Salaam Declaration into protocols and projects to be included in the Pact to be signed at the next summit; and,
 - secretarial support, as was done during the first phase of the process.

The Board maintained the previously approved and used guidelines.

National budgets and activities

72. Once again, each National Preparatory Committee provided the Board with varied views and proposals to meet the objectives and goals of this phase initially considered to conclude in November or December 2005. Following a review by the Manager of the Trust Fund and the TAT of past practices, the capacity of each NPC to spend funds allocated to them and the need to increase flexibility at both ends of the Fund management, the Board authorized the Fund manager to streamline groups of expenditures (or budget line items) into more generic ones but maintained the same limitations (the 5% and 10% limits) for modifications of its authorities.

73. It is worth noting that the Board provided the NPCs with an initial financial authority which was later reviewed and updated to take into account the evolution of the regional process and particularly the need for greater and continued expertise for the development of projects and protocols. Furthermore, when authorizing these funds, the Board did not anticipate that the Nairobi Summit would be postponed nor the impact such a postponement would have on the activities at the national level.

74. The summary of national expenditures during the first phase is as follows:

Country	Board's authority	Recorded expenditures ¹⁴
Angola	US\$ 31 000	US\$ 0
Burundi	US\$ 112 740	US\$ 75 818
CAR	US\$ 166 000	US\$ 164 087
DRC ¹⁵	US\$ 202 500	US\$ 324 010
Kenya	US\$ 107 000	US\$ 127 266
Republic of Congo	US\$ 121 800	US\$ 34 830
Rwanda	US\$ 141 000	US\$ 138 628
Sudan	US\$ 122 000	US\$ 0
Tanzania	US\$ 122 000	US\$ 92 042
Uganda ¹⁶	US\$ 193 000	US\$ 263 390
Zambia	US\$ 156 000	US\$ 135 130
Total	US\$ 1 475 040	US\$ 1 355 202

¹⁴ While the Board's authority did not take into consideration the UNDP management fee (3% of amounts paid), the recorded expenditures do include them since those are automatically from the funds available whenever there is a payment made.

¹⁵ Some of the activities that were carried out during the first phase were authorized and financed during the second phase.

¹⁶ The variance for recorded expenditures over and above the authority has not yet been elucidated but the accuracy and validity of the expenditures have been certified by the UNDP.

75. Once again, the capacity of each NPC to carry out the proposed plan of actions has to be taken into consideration when examining these figures. During that period, some US\$ 467 500 were spent in providing almost all NPCs with the required expertise and consultancy for the participants to the regional Technical Thematic Task Forces that developed protocols and projects. Nine of the NPCs that used funds from the Group of Friends to carry out specific national activities spent some almost US\$ 750 000.

Regional Activities

76. During that phase, four types of regional meetings took place. There were the Technical Thematic Task Forces meetings to which were added meetings of legal and financial experts, the Regional Preparatory Committee which prepared the Regional Inter-Ministerial Committee meeting and finally the Summit. The summary of regional expenditures during the first phase is as follows:

Meetings	Board's authority	Recorded expenditures 17
1 st RIMC/RPC – Kigali (02/05)	US\$ 387 134	US\$ 369 156
1 st TTTF – Mombassa (04/05)	US\$ 287 770	US\$ 348 180
2 nd TTTF – Nairobi (07/05)	US\$ 288 150	US\$ 301 173
2 nd RIMC/RPC – Lusaka (07/05)	US\$ 309 400	US\$ 333 924
3 rd TTTF – Nairobi (09/05)	US\$ 353 120	US\$ 346 973
3 rd RPC – Luanda (09/05)	US\$ 441 159	US\$ 417 883
4 th RPC – Nairobi (01/06)	US\$ 260 000	US\$ 181 521
Legal experts – Brazza (01/06)	US\$ 100 000	US\$ 69 266
3 rd RIMC – Bangui (02/06)	US\$ 275 000	US\$ 236 175
Summit	US\$ 677 570	US\$ 701 790
Translation services	US\$ 50 000	US\$ 15 697
Service/Management fee		US\$ 414 884
Total	US\$ 3 429 303	US\$ 3 736 622

77. The Dar es Salaam Declaration established a new organ within the Conference process, the Regional Inter-Ministerial Committee (RIMC). The Committee of Ministers, responsible for the Conference process and for the implementation of decisions made during the summits, is the decision making organ of the Conference process. It is usually preceded by a meeting of the Regional Preparatory Committee (RPC). The Technical Thematic Task Forces, one per theme or cluster of the Conference, were created at the first RPC/ RIMC meeting of the second phase. Each Task Force was composed of four (4) national experts per core country and its task was to develop protocols and projects that will translate into action the shared vision endorsed by the Dar es Salaam Declaration.

78. The first meeting of the phase was the Kigali RPC/RIMC of February 2005. This meeting set the stage for the second phase and determined the new structure of the Conference process, the orientation of the four programmes of action and various possible projects translating into action the Dar es Salaam Declaration. It also launched the process of the TTTFs.

79. The first meeting of the TTTFs took place in Mombassa in April 2005; participants and experts agreed on a methodology and on a list of projects and protocols to be further developed. During that meeting, an initial list of more than 100 projects, most of which were national instead of regional, was arrived at. The second meeting of the TTTFs was held in Nairobi in June 2005; national experts then reviewed project documents and protocols that had been prepared by consultants of the Joint UN – AU Secretariat.

¹⁷ UNDP management fees are accounted for separately at this level.

80. A meeting of the RPC and of the RIMC, held successively in Lusaka in July 2005, served as a mid-term review of the results achieved during the first and second meetings of the TTTFs. The RPC launched the new National Coordinator Task Force which had the specific mandate of drawing up the structures the Conference will adopt at the conclusion of the preparatory phase of the Conference process. For their part, the ministers asked the TTTFs to set priorities among the various projects they had proposed.

81. The third TTF completed the work initiated during the first two meetings of the TTTFs and the Lusaka RPC. It was held in Nairobi in September 2005 and submitted its conclusions to the Luanda RPC. The Luanda RPC, the third meeting of the RPC during the Conference second phase, took place at the end of September 2005. Its main objective was to adopt the revised projects and protocols and to establish a priority list for the many projects on the table. It was during that RPC meeting that the possibility of a postponement of the Nairobi was first mentioned.

82. A special meeting of National Coordinators, in November 2005, endorsed the postponement of the Nairobi Summit and called for a distinct RPC to revise and finalize all projects and protocols to be adopted as part of the Pact on Security, Stability and Development in the Great Lakes Region which will be signed at the Nairobi Summit. This fourth RPC met in Nairobi in January 2006 and met its objectives which were discussed at the Bangui RIMC in February 2006. It had been preceded by the Brazzaville meeting of legal experts from the core countries during which experts refined the legal wording of the various Protocols.

83. The Bangui RIMC reviewed extensively the legal elements of all the protocols as well as the initial draft of the Pact. During the Bangui meeting, the Ministers approved the draft Programmes of Action for all four clusters, all the draft Protocols (except the draft Protocol on Management of Information and the draft Protocol on Property Rights of Returning Persons). Ministers also approved the parameters of the Regional Institutional Follow-up Mechanism which will become ultimately the Conference Secretariat headed by its Executive Secretary.

84. During this phase, other regional meetings took place but were not funded by the Group's Trust Fund. There were:

- A meeting of budget and financial experts to identify which projects were financially feasible and to provide an overview of required new funding, both at the national and regional level for all projects;
- Two meetings with representatives of the Regional Economic Communities (RECs) organisations to identify RECs that will lead on each project and to adopt a grid of RECs responsibilities;
- A special meeting of Ministers of the Conference, on the margins of the Banjul Summit of the African Union, in July 2005; and,
- A special meeting between Ministers of the Conference and Ministers for the Group of Friends of the Great Lakes Region, on the margins of the United Nations General Assembly in September 2005.

The Second Summit

85. In November 2005, the eleven National Coordinators met in Nairobi and noted the need for a first postponement of the Nairobi Summit until June 2006, due to delays in the election process in the DRC. To maintain the momentum in the face of repeated postponement of the second Summit, a series of meetings were organised and held in 2006. However, none of these received funding from the Group of Friends as United Nations Trust Funds came to the rescue.

86. Further delays in the DRC elections lead to a second postponement of the Summit until December 2006. Finally, the Nairobi Summit took place in December 2006 and the *Pact on Security, Stability and Development in the Great Lakes Region* was signed as well as a Declaration that allowed its implementation prior to its entering into force following its eighth (8th) ratification. The Pact contains a

legal "chapeau" to the following documents which form the various annexes: the Dar es Salaam Declaration, the four Programme of Action, ten Protocols and the priority projects. The Nairobi Summit also appointed one of the National Coordinators, Ambassador Liberata Mulamula of Tanzania, as Executive Secretary of the Conference.

The third phase:
The establishment of the Conference Secretariat and the ratification of the Pact

87. Following decisions reached during the June 2006 Plenary session of the Group of Friends, the third financial exercise for the Group's Trust Fund and the extension of the agreement between the UNDP – Kenya and the Group of Friends would begin with the signing of the Pact and the establishment of the Conference Secretariat. Funds available or left-over following the first two phases would be divided up and provided mainly for the establishment of the Conference Secretariat and the promotion, at the national level, of the Pact and its ratification. The Group also contributed to the Regional Parliamentary meeting which finally took place in Kinshasa in February 2007.

National budgets and activities

88. Each National Coordination Mechanism, the successor of the National Preparatory Committees of the early phases of the Conference, was authorized to spend up to US\$ 74 000 to prepare material and organize activities aiming at publicizing the Pact and its ratification. The authorities provided for funding to be used as follows:

- activities aiming at vulgarizing and promoting the Pact, including the corresponding communications activities;
- meetings to plan, strategize and facilitate the ratification and implementation of the Pact;
- meetings with specialized groups to prepare for the implementation of the Pact, including meetings with various levels of the government as well as the civil society; and,
- an allocation for the organization and setting up of the new National Coordination Mechanism through plenary meetings and other types of previously seen activities.

89. This was also the first time that special consideration was not paid to the size of the DRC in allocating funds to the Member States.

90. The summary of national expenditures during the third phase is as follows:

Country	Board's authority	Recorded expenditures ¹⁸
Angola	US\$ 74 000	US\$ 0
Burundi ¹⁹	US\$ 74 000	US\$ 0
CAR	US\$ 74 000	US\$ 34 419
DRC	US\$ 74 000	US\$ 88 094
Kenya	US\$ 74 000	US\$ 55 435
Republic of Congo	US\$ 74 000	US\$ 0
Rwanda	US\$ 74 000	US\$ 27 013
Sudan	US\$ 74 000	US\$ 0
Tanzania	US\$ 74 000	US\$ 51 502
Uganda ²⁰	US\$ 74 000	US\$ 150 583
Zambia	US\$ 74 000	US\$ 59 494
Total	US\$ 814 000	US\$ 466 539

¹⁸ These recorded expenditures do include the UNDP management fee.

¹⁹ The UNDP country office merged expenditures charged to both the Burundi NCM and the Conference Secretariat.

²⁰ The variance for recorded expenditures over and above the authority has not yet been elucidated but the accuracy and validity of the expenditures are certified by the UNDP.

Once again, these results clearly illustrate the capacity of each Member State to carry out activities and to access funds from the Group's Multi-Donor Trust Fund.

Regional Activities

91. During this last phase, while the Joint UN – AU Secretariat was in operation until the end of March 2007, the newly appointed Executive Secretary took charge of the organisation at the regional level. The Group contributed to three regional meetings: a National Coordinators' meeting in Nairobi, in early January 2007, the Regional Inter-Parliamentary meeting which finally Kinshasa hosted in February 2007 when its own Parliament took office, and a special RIMC held to finalize certain decisions to allow the new Conference Secretariat to become fully operational. Also, and in view of decisions taken by the Ottawa Plenary meetings of the Group held in 2006 and 2007 as well as the meeting representatives of the Group attending the Nairobi Summit held on its margins, the Conference Executive Secretary was provided with funds to establish the new Secretariat and allow her to staff and launch the Secretariat.

92. The funds allocated and spent at the regional level were as follows:

Meetings	Board's authority	Recorded expenditures ²¹
National Coordinators' mtg. – Nairobi (01/07)	US\$ 20 000	US\$ 15 291
Regional Inter-Parliamentary mtg. – Kinshasa (02/07)	US\$ 20 000	US\$ 18 405
RIMC/RPC – Bujumbura (05/07)	US\$ 40 000	US\$ 40 353
Budget for the Secretariat and the Executive Secretary	US\$ 635 000	US\$ 626 463
Service/Management fee		US\$ 27 816
Total	US\$ 715 000	US\$ 728 328

93. The budget or financial authority provided to the Conference Executive Secretary was jointly managed by the UNDP – Kenya and the UNDP – Burundi with the participation of an advisor (a former UNDP administrator). The financial authorities were as follows:

- US\$ 200,000 was allocated for the organisation and holding in mid-March 2007 of an extraordinary National Coordinator's meeting and of a special Regional Inter-Ministerial Committee meeting (in Bujumbura);
- US\$ 40,000 was allocated to the Executive Secretary as a travel budget;
- US\$ 175,000 was allocated for consultancy services (experts);
- US\$ 20,000 was allocated for the development of an appropriate strategy and the initialization of an information program; and,
- US\$ 200,000 was allocated for the physical establishment of the new Secretariat and its premises; for this allocation the usual and previous rules and regulations (on supply of goods and services) applied.

²¹ UNDP management fees are accounted for separately at this level.

**The financial support of the Group of Friends for
the International Conference on the Great Lakes Region:
relationship and results achieved**

94. The funds allocated and spent at both levels during the three phases of the Conference process were as follows:

Phase and level of expenditures	Authorizations ²²	Expenditures
1 st phase – National expenditures		
1 st phase – Regional expenditures	US\$ 1 944 575	US\$ 782 678
2 nd phase – National expenditures	US\$ 2 006 095	US\$ 1 861 713
2 nd phase – Regional expenditures	US\$ 1 475 040	US\$ 1 663 832
3 rd phase – National expenditures	US\$ 3 429 303	US\$ 3 427 481
3 rd phase – Regional expenditures	US\$ 814 000	US\$ 466 539
	US\$ 715 000	US\$ 728 328
TOTAL		
	US\$ 10 384 013	US\$ 8 930 571

95. An analysis of the relationship between the Multi-Donor Trust Fund of the Group of Friends and the Conference process must consider not only the financial aspects but also the initial goal of the Group and of its decision to support, politically, diplomatically, financially and technically the Conference process and the countries of the region. Among the political results yielded, we note:

- The Dar es Salaam Declaration and the Nairobi Pact reflect a commitment at the highest political level to transform the region into a peaceful space, with sustainable security, social and political stability, shared growth and development; build co-operation on convergent policies and strategies aiming at common destiny; and respect people aspirations and inclusiveness; The Pact constitutes an "indivisible" assembly comprised of the Dar es Salaam Declaration, four Programmes of Action and some sub-programmes, ten binding Protocols, 33 priority projects; it establishes a regional Follow-Up Mechanism in the Conference Secretariat, headed by the Conference Executive Secretary, and enshrines a Special Reconstruction and Development Fund to be housed within the African Development Bank. All these agreements, documents and decisions were negotiated and agreed to, by consensus, during the Conference process;
- The Conference has been a very successful exercise in confidence building and peace-building. The process moved from hostile parties to negotiators, leading them to currently being regional partners in finding practical solutions to regional problems. This has been made possible by the preparatory process which facilitated the building of consensus on a number of delicate issues of peace and security, democracy and development, economic development and regional integration and of humanitarian and social concerns; and,
- That the Conference, as established within the context of inclusiveness, has created an environment in which governments and civil society work together at both national and regional level must be seen as a result in itself.

96. It is undeniable that the funding and other financial and technical support provided by the Group of Friends has contributed to achieving these results, including the relatively short period of time required to achieve them, particularly considering the tensions that existed and, at time, are perceived as still prevailing within the Region.

97. It is also undeniable that the management, at all levels, of the Fund has met its objectives of rapidity and ease of contributions, despite some complaints from National Coordinators because the Trust Fund did not operate by "advances". Cash and technical support has enabled not only National Preparatory Committees to come fully prepared to regional meetings but it has also facilitated the

²² Authorizations were provided on the basis of an analysis of contributions to the Fund, past expenditures and commitments and funds considered available.

organization of work within the Joint UN – AU Secretariat, and during the third phase, with the establishment of the new Conference Secretariat. The modalities set in place for the management of the Trust Fund and the rapidity of the decision making process, for allocation of funds or increases of allocation, have proven an indispensable tool for the Conference process whether it was at the regional or the national levels. Usual bilateral aid or financing mechanisms have not been able to supplant the specific added value that the Trust Fund represented.

98. For its part, the financial and technical support provided has allowed the Group to increase the popular participation as well as buy-in at all stages of the process. It also enabled the Group as a whole to urge Member States, at various meetings, to focus on certain specific issues and priorities of interest or concern to the Group and it has enhanced the "partnership" and collaborative spirit between the Group of Friends and the Member States, throughout the process.

99. However, throughout the process, management of the Trust Fund has not been without its own challenges.

- The high volume of activities and priorities at both the national and the regional levels as well as the limited resources available to both the Joint UN – AU Secretariat and to the Member States and their National Preparatory Committees have hampered the management of such a results-driven process. In this regard the Group has not been able to obtain that the mandate and budget for the Office of the UN-SRSG be adapted over the course of the process, while actual tasks and required financial needs had changed.
- Respecting budgetary plans and sound management of funds, in face of unforeseen expenses or circumstances, although there were no provisions for them in the budget, were a challenge for all concerned. Rapid decisions and flexibility had to be demonstrated in order not to risk or delay the process. The management of fiduciary responsibilities and of partnership with the process required nevertheless maintaining financial accountability while providing imaginative solutions.
- Because of the complexity of the process, the Member States countries needed more specialised technical assistance than was readily available.
- The management arrangements between the Group of Friends and the UNDP were reached and centralised within one UNDP office; however, the simultaneous collaboration of 10 UNDP offices was constantly required. The coordination proved to be a challenge as some of the countries did not perceive the Conference as the priority the region and the international community afforded it.

Conclusion and way forward

100. The response of the international community to the crisis in the Great Lakes region has been extraordinary. While many UN Security Council resolutions have called for the organisation of the Conference, when called upon to contribute multilateral and bilateral donors reacted rapidly and created the Group of Friends which supported in a quite cohesive manner the Conference process, the Secretariat and Member States alike through political, diplomatic, technical and financial means.

101. The Conference has been the most important and persistent regional forum for dialogue, confidence and peace building in the region, between its governments and their international partners, between them and their civil society. The themes discussed were encompassing and delicate: peace and security, democracy and development, economic development and regional integration and humanitarian and social concerns. The process has facilitated a significant change in the way concerned parties approached these issues and their possible solutions. A sense of responsibility for finding joint solutions satisfying the basic needs of all parties has emerged during the process and replaced a more insensitive if not antagonistic approach.

102. Without the overall support of the Group of Friends as well as its various demonstrations through financial, technical, political and diplomatic means, the Conference would not have yielded results now enshrined within the region. The Pact will come into force more or less at the time this report is finally adopted and the Conference Secretariat, in Bujumbura, is now fully operational.

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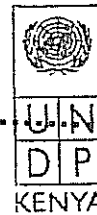
103. The ultimate outcome of the Conference is the Pact on Security, Stability and Development in the Great Lakes Region and the confidence building atmosphere it established for the region. That the Conference process be replicated somehow within the Democratic Republic of Congo and its Amani process constitutes a further testimony to the validity of the approach. To ensure sustainability of this and future outcomes, continued support from the donors to the Multi-donor Trust Fund remains a necessity. Now the Group of Friends must assess its accomplishment in order to come with a firm decision whether it re-engages itself as a core partner of the ICGLR. With the political ownership fully demonstrated by the Member States, and the initial financial ownership they have now acquired, the next goal for the Group of Friends support would be to help the new African infrastructure implement the projects and protocols of the Pact.

Approved By.....



Aeneas Chuma
UNDP Kenya

Resident Representative/UN Resident Coordinator



Regional meetings of the International Conference on the Great Lakes Region (ICGLR)

2004

14 – 15 July	4 th meeting of National Coordinators, Nairobi
6 – 10 September	1 st Regional Preparatory Committee meeting, Bujumbura
12 – 17 September	Regional meeting for the Youth, Kampala
20 – 24 September	Regional meeting of regional NGOs, Arusha
7 – 9 October	Regional meeting for Women, Kigali
19 – 23 October	2 nd meeting of the Regional Preparatory Committee, Kinshasa
8 – 10 November	3 rd meeting of the Regional Preparatory Committee, Kampala
16 – 17 November	Pre-Summit meeting of the Ministers of Foreign Affairs in Dar es Salaam
18 – 20 November	First Summit of Heads of State in Dar es Salaam

2005

15 – 18 February	1 st meeting of the Regional Inter-Ministerial Committee (RIMC) preceded by the Regional Preparatory Committee (RPC), Kigali
4-8 April	1 st meeting of the Technical Thematic Task forces (TTTF), Mombasa
27 June – 1 July	2 nd meeting of the TTTFs, Nairobi
18 – 23 July	2 nd meeting of the RIMC preceded by the RPC, Zambia
05 – 11 September	3 rd meeting of the TTTFs, Nairobi
26 – 30 September	Meeting of the RPC in Luanda
7 November	Special Meeting of National Coordinators, Nairobi

2006

9 – 10 January	Regional meeting of legal experts, Brazzaville
30 January – 1 February	Meeting of the RPC, Nairobi
11 – 12 February	Regional meeting of financial and budgetary experts, Kampala
20 – 23 February	3 rd Meeting of the RIMC preceded by a meeting of NC, Bangui
27 – 29 March	2 nd Regional meeting of financial and budgetary experts, Kampala
11 April	Meeting with the Regional Economic Communities, Addis Ababa
08 – 10 May	Meeting of the private sector, Lusaka
15 May	Meeting of National Coordinators and Regional Economic Communities, Nairobi
29 – 31 May	Meeting of Women, Youths, and Civil Society, Kigali
27 June	4 th Meeting of the RIMC preceded by a meeting of National Coordinators, Banjul
7 - 8 September	Meeting on the Model Legislation, Nairobi
22 September	Meeting of Ministers, New York
10 December	Meeting of the National Coordinators, Nairobi
11 – 12 December	6 th Meeting of the RIMC, Nairobi
14 – 15 December	Summit of Head of States and Government, Nairobi

2007

26 – 28 February	Regional meeting of the parliamentarians of the Great Lakes region, Kinshasa
3 – 4 May	Launch of the Secretariat of the ICGLR (Special RIMC), Bujumbura
6 – 7 November	Meeting of the National Coordinators, Nairobi
8 – 9 November	Meeting of the RIMC, Nairobi
20-22 May	Meeting of the RIMC, Brazzaville

CRITERIA FOR FINANCIAL PROPOSAL APPRAISAL AND GUIDELINES

The Board of Trustees (BoT) will approve a Conference workplan which will be used as a working document to select and recommend national or regional activities. Other activities proposed will be analysed by the Conference Secretariat and forwarded by UNDP – Kenya with a recommendation on a case by-case basis or in an omnibus manner depending on the situation.

At a minimum, all proposals must:

- originate or be supported by the ICGLR Secretariat or one of the National Preparatory Committees in the core countries. Exceptionally, the BoT may consider a proposal from an organisation based in one of the core countries as long as it is validated by the UNDP Office in that country, or the Secretariat of the ICGLR. In the case of supported proposals, implementing organisms must be registered national or regional civil society organisations (e.g. networks, NGOs, associations, community-based organisations);
- be accompanied by an analysis and recommendation from the ICGLR Secretariat;
- propose initiatives directly related to one of the four themes of the Conference;
- present activities that would be completed before the second summit of the Heads of States (expected for June 2005).

Proposals should clearly indicate:

- the objectives sought and how they relate to the conference and one or more of its themes;
- results expected as well as how and when these would enhance the Conference process;
- a transparent budget, including the organisation's contribution (financial or in kind) as well as funds received/expected from others sources;
- how the project or activity will act as an effective instrument to reach one or more of the objectives of the ICGLR

Prior to submitting a proposal for approval to the BoT, the Executing Agency (EA)/Technical Evaluation Team (TAT) will review and analyse all proposals and will consider:

- the availability of funds to cover such an initiative;
- the effectiveness and efficiency of proposals aiming at similar results. When required, the Secretariat will consult other parties to evaluate the effectiveness of the activity;
- the work of and coordination with other organisations funding the Conference process to maximize the efficiency of various funding mechanisms;
- the need to equitably assist all National Committees as well as the Secretariat of the Conference; and,
- the need to focus adequate attention on each of the four key themes and the two cross-cutting themes of the Conference.

Funding

In the case of National Preparatory Committees, the Group of Friends, through its BoT, will consider funding office equipment considered essential to the work of the National Committee as well as expenses directly related to preparing or holding a preparatory conference or summit (e.g. accommodation, reasonable per diems and transportation to and from conferences, seminars and training sessions). The BoT will not normally fund or reimburse overhead costs such as salaries, utility and telephone bills, the purchase or rental of vehicles, or the rental of office space, as these expenses are considered a normal an appropriate investment by members States in the ICGLR.

No offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has or will be made to anyone, either directly or indirectly, as an inducement or reward for the award of the execution of this Project Document and related Memorandum of Understanding. Any such practice will be grounds for terminating this Project Document and related MOU or taking any other

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corrective action as required. The UNDP –Kenya Office will ensure that an anti-corruption clause will be included in Contribution Agreements with funding recipients.

In the case of civil society organisations, the Group of Friends, through its BoT, will consider funding costs associated with activities that contribute to the achievement of the objectives of the Conference. Capital expenses will not normally be accepted.

Any member of the GoF contributing to the Trust Fund reserve the right to claim repayment in full or in part of funds made available under this Project and related Memorandum of Understanding if its contribution is found not to have been used in accordance with the terms and conditions of this Project Document and related Memorandum of Understanding. The Netherlands co-chair and the UNDP – Kenya will consult with each other with a view to reach a solution in the matter before the individual member exercises its right to claim repayment in full or in part of any funds. The UNDP – Kenya's liability under this paragraph is limited to the amount repaid.

In cases of premature termination by the co-chairs the termination will not apply to funds irrevocably committed in good faith by UNDP – Kenya before the date of the written notice of termination, provided that the commitments were made in accordance with the signed MoU.