



STRATEGIC PLAN 2004/05-2007/08

SUMMARY

1. This Strategic Plan was approved by the Commonwealth Secretariat's Board of Governors on 14 May 2004. The Plan will contribute to implementing the 2003 Commonwealth Aso Rock Declaration's vision of a Commonwealth that is committed to democracy and a more equitable sharing of the benefits of globalisation; recognises that development and democracy must be mutually reinforcing; makes democracy work better for pro-poor development; and is determined to attain the Millennium Development Goals (MDGs). The Plan sets two long-term goals for the Secretariat that reflect the Aso Rock Declaration's emphasis on the promotion of democracy and development and are consistent with the Secretariat's Mission Statement:

Goal 1: To support member countries to prevent or resolve conflicts, strengthen democracy and the rule of law and achieve greater respect for human rights.

Goal 2: To support pro-poor policies for economic growth and sustainable development in member countries.

Goal 1 (Peace and Democracy) will be achieved through **4** Programmes:

- 1 Good Offices for Peace
- 2 Democracy and Consensus Building
- 3 Rule of Law
- 4 Human Rights

Goal 2 (Pro-Poor Growth and Sustainable Development) will be achieved through **9** Programmes:

- 5 International Trade
- 6 Investment
- 7 Finance and Debt
- 8 Public Sector Development
- 9 Environmentally Sustainable Development
- 10 Small States
- 11 Education
- 12 Health
- 13 Young People

These 13 Programmes will be supported by 3 cross-cutting Programmes:

- 14 Gender Equality and Equity
- 15 Capacity Building and Institutional Development
- 16 Secretariat Governance, Management and Communications

3. The Plan specifies objectives for each of these Programmes as well as their expected outcomes or significant development results that will contribute to the Plan's goals. It also specifies the strategies which the Secretariat will use to achieve the outcomes and results which contribute to those goals. A Performance Information Framework has been developed for improved performance reporting and managing for results during the Plan period.

4. The Secretariat will exploit its comparative advantages and those of the CFTC and CYP in delivering the Plan. The planning and implementation framework of the CFTC is elaborated in Annex 2. The Plan will be funded by the assessed budget of the Secretariat and voluntary contributions to the CFTC and CYP. The resources of the CFTC will be devoted mainly to Programmes 5 to 12 and 15, although some technical assistance will be provided under Programmes 2 to 4 and 14. CYP resources will be dedicated to Programme 13. It is assumed that the Secretariat and CYP budgets would increase in line with inflation (zero growth in real terms) and that the CFTC receipts will not fall below their 2003/04 level in real terms.

1. MISSION STATEMENT

1. The Commonwealth Secretariat is the primary intergovernmental organisation within the Commonwealth association. Deriving its mandates from Heads of Governments, the Secretariat serves the needs of the Commonwealth's member governments and their peoples in the political, economic and social developmental and youth spheres, through the combined resources of assessed contributions and voluntary contributions to the Commonwealth Fund for Technical Co-operation (CFTC) and the Commonwealth Youth Programme (CYP). The Secretariat also provides a forum for deliberation and collective action on matters of importance to the association.

2. The Secretariat continues to serve the purposes for which it was originally established in 1965. Building on the decisions by Commonwealth Heads of Government in March 2002 for reforms, the Secretariat continues to modernise itself as an organisation better able to serve Commonwealth governments and peoples.

3. The Secretariat's overarching role is articulated in the following Mission Statement:

“We work as a trusted partner for all Commonwealth people as:

- a force for peace, democracy, equality and good governance;
- a catalyst for global consensus-building; and
- a source of assistance for sustainable development and poverty eradication”.

2. VALUES AND VISION

4. The Commonwealth Secretariat will continue to uphold the fundamental values of the Commonwealth, which are:

- Democracy, democratic processes and institutions which reflect national circumstances, the rule of law and the independence of the judiciary, and just and honest government.
- Fundamental human rights, including equal rights and opportunities for all citizens regardless of race, colour, gender, creed or political belief.
- Equality for women so that they may exercise their full and equal rights.
- Universal access to primary education for all children.
- Sustainable development and the alleviation of poverty.

5. The Strategic Plan will contribute to implementing the 2003 Commonwealth Aso Rock Declaration's vision of a Commonwealth:

- that is committed to democracy, including the active participation of civil society, good governance, human rights, gender equality and a more equitable sharing of the benefits of globalisation;
- that recognises that development and democracy must be mutually reinforcing, since broad-based prosperity creates the stability conducive to the promotion of democracy and strong democratic institutions promote better development;
- that will work to make democracy work better for pro-poor development by implementing sustainable development programmes and enhancing democratic institutions and processes in all human endeavours; and
- is determined to attain the Millennium Development Goals (MDGs), particularly in regard to health and education.

3. CHALLENGES AND PRIORITIES: THE CONTEXT

6. Considerable progress has been made to implement the decisions of the 2002 CHOGM and the recommendations of the High Level Review Group (HLG) during the 2002/03-2003/04 Strategic Plan. The Secretariat's Good Offices work and support for democracy, the rule of law and human rights have been strengthened. There has been greater Commonwealth advocacy and technical assistance provided to member countries to address key developmental issues, especially those affecting small states and LDCs. Programmes supported by the CFTC have been put in place to help member countries to adapt and benefit from globalisation, to strengthen governance systems and to build capacity in key institutions, ranging from enhancing the capacity of governments to manage foreign and domestic debt, identifying and maximising trade and enterprise opportunities, and contributing to building robust health and education systems. The Youth for the Future Initiative, endorsed by the 2002 CHOGM, has been mainstreamed into the CYP work programme. Finally, the Secretariat's structure and its governance arrangements have been streamlined. Notwithstanding this progress, several challenges remain.

7. The international context in which the Commonwealth operates has not changed in any fundamental way since the 2002/03-2003/04 Strategic Plan was adopted. However, certain problems have become more acute and new challenges have arisen which demand new insights and action.

8. Despite the setbacks at Cancun, the new round of WTO multilateral trade negotiations has the potential to spread the benefits of globalisation more widely, provided there is political will on the part of the whole international community to change entrenched positions and adopt a more enlightened view of national political and economic interests. This will be essential to ensure the potential benefits of the Doha Development Round can be delivered, especially to the least developed and most vulnerable countries of the Commonwealth.

9. The urgency of combating terrorism has led to a greater emphasis on security-related issues. Since the September 11 terrorist actions, the escalating frequency of terrorist acts across the globe has also underscored the importance of reinforcing democratic processes and reducing poverty. The outcomes of the 2002 World Summit on Sustainable Development, the 2002 Monterrey Consensus on financing for development and the ongoing WTO Doha Round have revealed the importance of achieving rapid progress on the sustainable development agenda.

10. Only through a concerted approach which recognises the link between poverty and instability and seeks to advance human well being in a participatory and sustainable environment can the promise of these international agreements be achieved. As the 2003 Commonwealth Aso Rock Declaration emphasises, the Commonwealth must strengthen multilateralism, international co-operation, partnership and productive working relationships between government and civil society. Member countries continue to need assistance to develop the necessary skills base to identify and exploit opportunities for trade and enterprise development in a range of economic sectors at the national, regional and international levels in order to achieve poverty eradication and pro-poor development.

11. Of the thirty one countries which have made only slow progress towards the Millennium Development Goals (MDGs)¹, nine are Commonwealth members. The developmental challenges facing Commonwealth nations at the beginning of the 21st century are huge. One-third of the Commonwealth's two billion citizens live on less than \$1 a day. Sixty per cent of global HIV cases are in Commonwealth countries. The same proportion of Commonwealth citizens cannot get essential drugs nor do they have access to adequate sanitation facilities, and tuberculosis and malaria take a high human toll. About half of the world's 115 million children who cannot attend primary school live in the Commonwealth and a large percentage of young people do not have the opportunity to realise their potential because of unemployment, poverty, HIV/AIDS or illiteracy. Women constitute about 70 per cent of those in poverty across the Commonwealth.

12. The 2003 Commonwealth Expert Group on Development and Democracy provides a succinct overview of the twin challenges development and democracy pose for the Commonwealth. As it points out, many countries have not established basic, enduring democratic procedures and institutions, nor managed to protect and fulfil the full range of human rights for their citizens. For example, on average, women constitute only 13 per cent of parliamentarians in the Commonwealth, a number far below the 30 per cent target set by Commonwealth Heads of Government.

13. Even when democracy and human rights are enshrined in a country's constitutional or legal frameworks, putting democratic principles into practice is hard when the institutions which should underpin democratic processes are weak. Poverty and inequality make that task even more difficult in many countries. Greater efforts to eradicate poverty and improve governance are essential for international equity, global peace and security. Within the framework of the MDGs, sustained action is required by all development partners to ensure globalisation provides real

¹ It is likely that several other members are in the same position although there is insufficient data to assess their progress, according to UNDP.

opportunities for developing countries to transform their economies and societies through diversification for the benefit of their citizens.

4. COMPARATIVE ADVANTAGE

14. The Commonwealth Secretariat will exploit its comparative advantages in general and specific areas to address the above challenges during the Plan period. These comparative advantages are as follows:

- The Commonwealth association contains a diverse and varied cross-section of nations. It has countries from both the G-8 and the G-77, and it includes developed, rich countries as well as poor and vulnerable members. It also has the largest and the smallest nation states, the most insular and land-locked as well as the most isolated maritime islands. This eclectic mix provides a unique context for global dialogue and cross-regional consensus building. It enables the Commonwealth to play a powerful advocacy role on a wide range of issues: strengthening support for democracy and good governance; debt relief for Heavily Indebted Poor Countries (HIPCs); special treatment for small states in international trade and finance; and HIV/AIDS.
- The Commonwealth is not a forum for multilateral negotiations like the UN or the WTO. It provides a 'safe space' for countries to come together in an informal and friendly setting, to air concerns and develop a better understanding of each other's positions across a range of issues. This can help to facilitate negotiations in other multilateral fora.
- Because of the Commonwealth's common working language, shared history and traditions and the similarities in administrative, legal and education systems, the Secretariat can facilitate sharing experiences and knowledge of good practice. Such functional cooperation can improve standards and build institutional capacity in a number of priority areas - public sector reform, sound economic management, investment and market development, enterprise development, model legislation, legal and constitutional reform, gender-sensitive policy frameworks, health, education policy and youth enterprise development.
- Developing member countries see the Commonwealth Secretariat as an 'honest broker' and a source of impartial advice and valued assistance in a range of sensitive economic and political areas. Good Offices for conflict prevention and resolution, public sector reforms, trade and investment negotiations and debt management are all areas in which the Commonwealth is seen as the preferred source of assistance.
- The Secretariat's staff, drawn from all member countries, bring an extensive depth of experience of Commonwealth issues and concerns to the work of the Secretariat.

- In assisting member governments in implementing pro-poor sustainable development programmes, the Secretariat is able to tap into the knowledge and resources of an extensive and diverse network of Commonwealth professional associations, civil society organisations, experts and eminent Commonwealth citizens

4.1 Commonwealth Fund for Technical Co-operation (CFTC)

15. The CFTC will provide the bulk of support for the implementation of the Plan. The CFTC is especially well positioned to work with Commonwealth developing countries in areas where trust, sensitivity and a good understanding of political, legal and administrative systems are important. It is a primary source of technical assistance and policy advice to support national development priorities. It also complements other national or donor-assisted strategic interventions to build national institutional capacity and human capabilities.

16. From a technical co-operation perspective, the CFTC has a number of specific attributes which contribute to its competitive advantage relative to other development agencies. These attributes, which are especially valued by LDCs and small states, include:

- An ability to provide high quality experts and advice through a range of operational modalities in public sector management.
- The inherent advantage of working as a trusted and impartial development partner in sensitive political and economic areas.
- The high proportion of CFTC assistance delivered through South-South knowledge transfer and technical co-operation.
- An ability to deploy technical assistance swiftly, avoid rigid and onerous conditionality and with a readiness to undertake small projects that larger organisations are generally reluctant to support.

17. However, there remains a need to seek continuous improvements in the administration and delivery of the CFTC programme to enhance quality and efficacy of technical assistance provided in specific areas. The Secretariat will strengthen the consultative framework which guides the dialogue between the Secretariat and CFTC Primary Contact Points and Points of Contact in governments. It will revise the operational procedures used to identify, design, implement and evaluate CFTC-supported activities and will strengthen the criteria for project approval. Risk analysis procedures will also be strengthened.

18. Consultations with governments undertaken in 2003 have confirmed the enduring relevance of the guiding principles set out in the CFTC Rethink Report.² The Secretariat was urged to deepen, rather than broaden the CFTC programme of assistance and strengthen its support to LDCs and vulnerable small states. Member governments strongly supported the basic principle of ‘mutualism’, whereby all states

² Consultations with Points of Contact were held in September, October and November 2003 in the African, Pacific and Caribbean regions respectively. The final meeting in the series for the Asia region, scheduled to take place in early 2004, had to be deferred.

contribute to the Fund according to their ability to pay and benefit from CFTC assistance in critical areas of need.

19. The MDGs, regional and national development priorities and agreed frameworks for action, such as PRSPs, the CDF or NEPAD, will provide the basis for CFTC interventions at the national, sub-regional and regional levels.

20. The CFTC priorities during the Plan period are reflected in the Strategic Plan's Programme statements. The CFTC, in responding to national and regional developmental needs and priorities identified by governments, will ensure that these needs are situated within the framework of the goals and programmes of the Secretariat and its comparative advantage. Measurement of the CFTC's effectiveness will rely on the Secretariat-wide system of results-based management and evaluation. See **Annex 2**, which has been prepared in accordance with clause II.5 of the Memorandum of Understanding on the CFTC, as revised by member governments in 2002.

4.2 Commonwealth Youth Programme (CYP)

21. The Secretariat will build on the specific comparative advantages of the CYP to implement the Strategic Plan components that focus on youth. A key factor in the effectiveness of the CYP is its regional presence and the ability to draw on local resources as well as to leverage resources from other development partners in support of its programmes. More importantly, the CYP values forging relationships among young people as well as with governments and development agencies. A tradition of consensus building and an approach that ensures young people are at the centre of the sustainable development agenda enables the CYP to develop more responsive and youth-oriented solutions to the complexity of the challenges facing young people in the Commonwealth today.

5. PROGRAMME FRAMEWORK

22. In the light of the above discussion, and consistent with a greater focus on improving performance and enhancing effectiveness, the programme framework for the Plan has a number of important components:

- A Secretariat Mission Statement that incorporates the fundamental values of the Commonwealth.
- Longer-term goals which are consistent with the Mission Statement.
- Programme objectives which define the expected outcomes or significant development results that will contribute to those longer-term goals.
- Programme strategies, which the Secretariat will use to achieve outcomes and results which contribute to the overall goals.

23. A key principle incorporated within the proposed programme structure is the logical hierarchy which links projects (at the operational level) to programme objectives. Achievements and results at the project level combine to deliver outcomes at the programme level which, in turn, contribute to the overall goal statement.

Results are documented as either intermediate, to be achieved over the life of the Plan, or as contributory to Plan outcomes.

24. The Plan sets two long-term goals for the Secretariat that reflect the 2003 Commonwealth Aso Rock Declaration's emphasis on the promotion of democracy and development in ways that are mutually reinforcing:

Goal 1 To support member countries to prevent or resolve conflicts, strengthen democracy and the rule of law and achieve greater respect for human rights.

Goal 2 To support pro-poor policies for economic growth and sustainable development in member countries.

Goal 1 (Peace and Democracy) will be achieved through **4** Programmes:

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Goal 2 (Pro-Poor Growth and Sustainable Development) will be achieved through **9** Programmes:

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- 9 Environmentally Sustainable Development
- 10 Small States
- 11 Education
- 12 Health
- 13 Young People

The programme framework incorporates two cross-cutting programmes:

- 14 **Gender Equality and Equity:** To strengthen the capacity of governments and civil society to achieve gender equality and equity in political, social, legal, and economic policy-making and programmes.
- 15 **Capacity Building and Institutional Development:** To strengthen the capacity of local, national and regional institutions for good governance and sustainable development.

These Programmes will ensure that objectives relating to gender equality and capacity building will be incorporated within the other programmes through specific strategies and approaches.

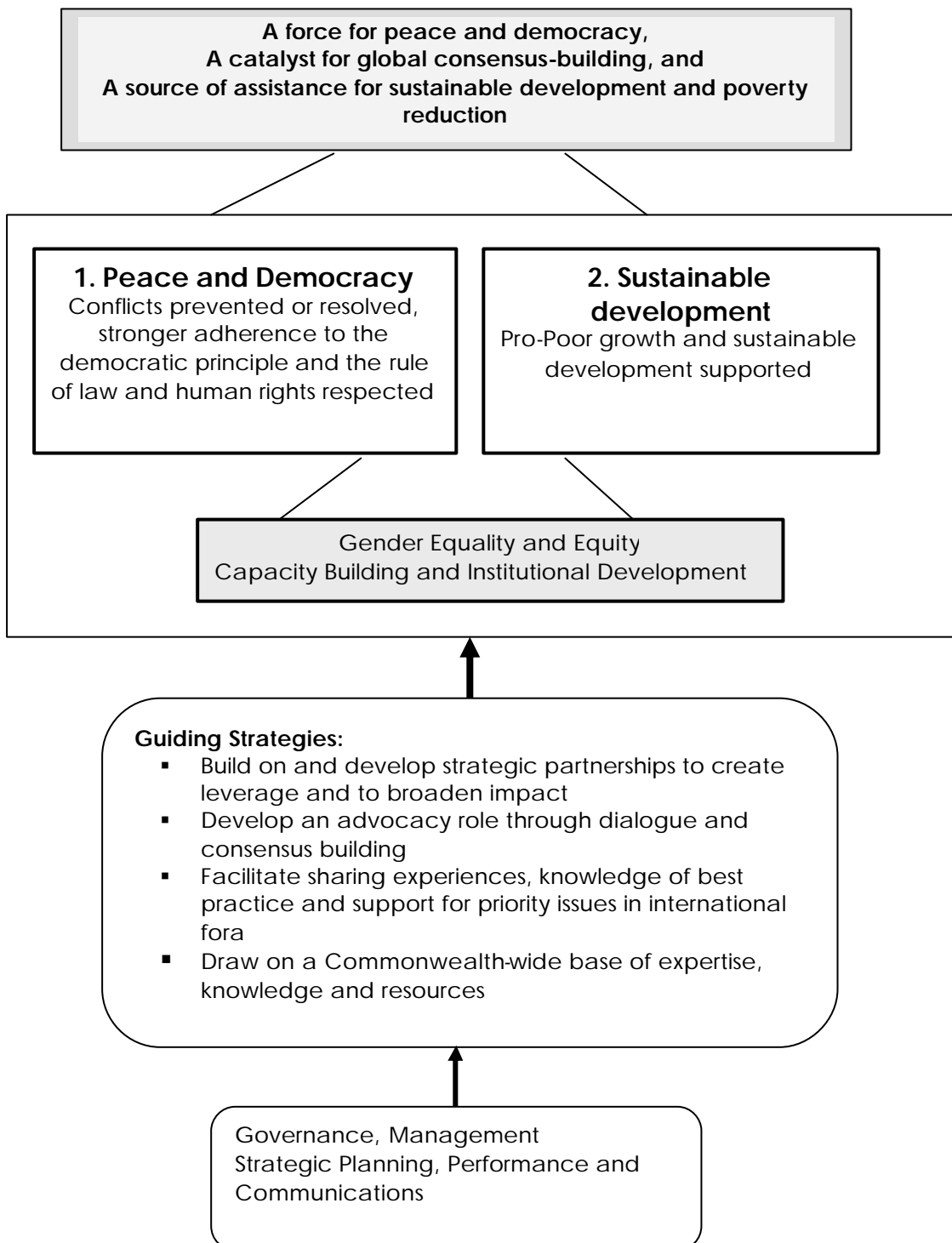
Finally, the programme framework includes a third cross-cutting programme:

- 16 Secretariat Governance, Management and Communications:
To ensure the Commonwealth Secretariat is an effective, efficient, accountable, transparent and learning organisation capable of achieving its corporate goals.

This Programme establishes the corporate and governance standards, priorities and results necessary for the Secretariat to achieve the Plan's programme outcomes. The framework also contains a statement of the enabling or guiding corporate strategies which set the approach for the programmes.

The Programme framework is illustrated in **Chart 1**.

Chart 1: Commonwealth Secretariat Programme Framework 2004/05 – 2007/08



25. Each Programme falls within one or other of the two strategic Goals, and the three cross-cutting Programmes support both. Statements on the objectives, strategies and results for each of these Programmes are set out in **Annex 1**.

5.1 Capacity Building and Institutional Development

26. The cross-cutting Programme on Capacity Building and Institutional Development will use CFTC funds to support interventions in response to anticipated requests for long-term experts to strengthen capacity, skills and institutions. This will contribute to the achievement of objectives and strategies of other Programmes, ensuring a rigorous framework for all projects supported through this cross-cutting Programme.

5.2 Gender Equality, Small States and Other Cross-Cutting Issues

27. The Secretariat has long adopted the strategy of mainstreaming gender issues across all its activities and good progress has been made in this direction. In the Plan, Programme 13 on Gender Equality and Equity will pursue a set of specific gender mainstreaming objectives aimed at integrating gender equality/equity issues into other programme areas through specific strategies, as well as the development of the new Commonwealth Plan of Action on Gender and Development. As in the 2002/03-2003/04 Strategic Plan, a separate Programme will support the implementation of the framework of action for working with partner organisations to respond to the challenges facing small states. This was approved by the 2003 meeting of the Commonwealth Ministerial Group on Small States. As with gender equality, small-states related issues are also integrated into other programme areas.

28. Since human rights, education and health also have important cross-cutting implications, the strategies for the human rights, education and health Programmes envisage the integration of human rights, education and health dimensions into other relevant areas of the Secretariat's work. Particular emphasis will be given to strengthening the integration of human rights-related issues in Programme 2 (Democracy and Consensus Building). Where necessary, certain aspects of the rule of law, which is also cross cutting in nature, will be integrated into other programme areas.

6. PERFORMANCE AND RESULTS

29. Improving performance reporting and managing for results are critical components that guide the Strategic Plan. The Secretariat has approached performance management principles in a comprehensive manner through the development of a Performance Information Framework (PIF). The Plan has been designed to incorporate the basic building blocks of the PIF and over the next year the systems, procedures and reporting tools will be developed to bring it to operational effectiveness.

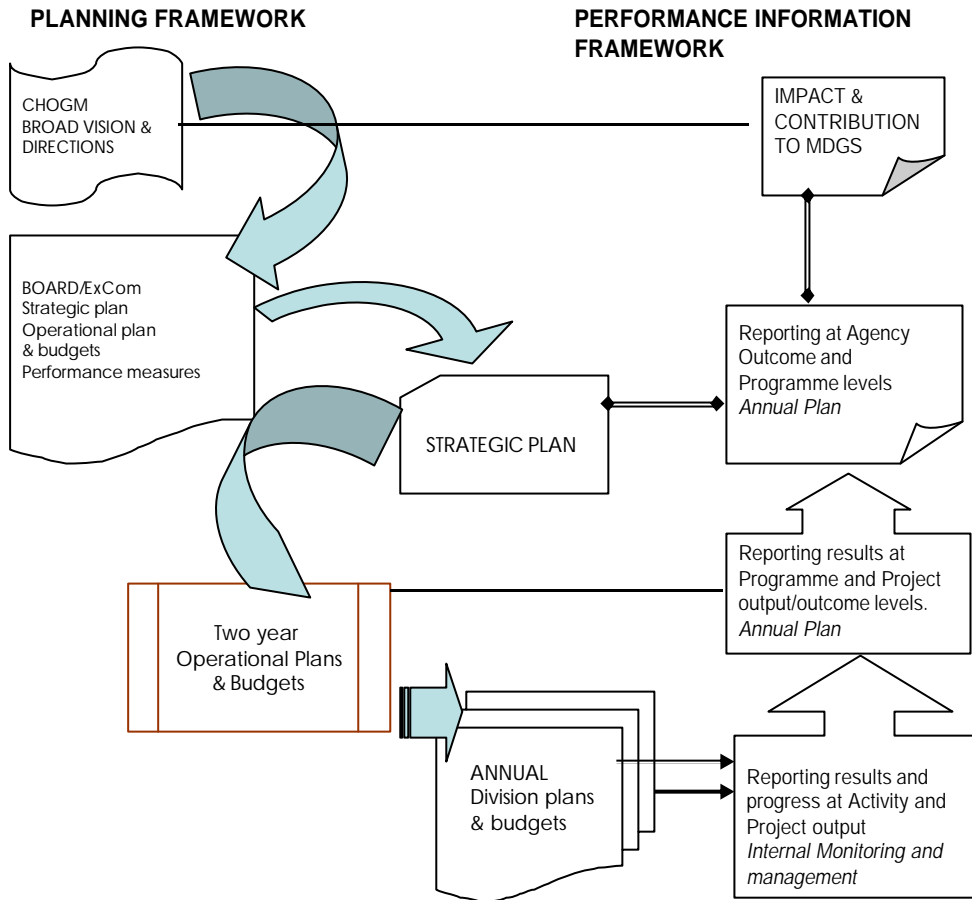
6.1 Components of the Performance Information Framework

30. The Performance Information Framework for the Plan will have a number of elements:

- It incorporates a direct relationship of planning cycles and decisions, so that key decisions on resources and programme approaches are made in the context of the overall strategic directions of the Plan and the critical governance points for the Secretariat.
- It will support value-for-money analysis and forward programme decision-making.
- There is a close correlation among the key structural aspects of the programme and information required to assess progress from project through to strategic programme level is embodied in the logical hierarchy of goal and objective statements.
- It adheres to a systematic base for project design, using results chain and logic such as that incorporated in the Logical Framework.
- It will provide a regime for monitoring and reporting on progress and for management interrogation of expenditure information with project/programme achievements and outcomes. Any projects/activities that have a weak development impact or are not sustainable will be re-designed or phased out.

31. The most critical aspect of the performance information management system relates to the ability of the Secretariat to provide timely, accurate and results-oriented reporting to meet external governance requirements, as well as detailed internal reports to inform and guide management decisions. The logic of the Plan structure supports these differential reporting schedules. This is illustrated in **Chart 2**.

Chart 2: Relationship of Performance Information Framework to Planning and Reporting Cycle



32. The PIF ensures there is a cohesive link from the Strategic Goals to the Programme outcomes which support these goals and that within each Programme there is a set of purpose statements for which results can be specified against project objectives. It also provides the framework for analysis and reporting progress towards the Strategic and Programme goals and an assessment of the efficacy of the guiding approaches that direct the way the organisation works. Using the Logframe as the basic project design tool, each Programme will consist of a number of Projects on which annual progress and performance information will be collected. This information will contribute to the review of Annual Plans and support refinement of the forthcoming year's Operational Budget.

33. The small scale of most Secretariat interventions makes attribution of development impact extremely difficult. While the results statements developed for the Programmes can be divided into measures that relate to policy, process and resources (organisational quality) and those that relate to operational achievements (development impact), the focus of the Performance Information system will primarily be at the level of organisational quality and effectiveness. Project performance will be assessed through integrated monitoring and reporting of performance information relating to quality, process and financial efficiency; reporting on performance and results at the Programme level will rely to a great extent on information collected less

frequently and using indicators of lesser precision. In the case of Programme results, where variables are generally outside the Secretariat's control or require more in-depth impact assessment, assessment of performance and quality will be determined using more formal feed-back and evaluation methodologies.

6.2 Performance Measurement and Evaluation

34. Both performance measurement and evaluation will be required to ensure the Secretariat resources are deployed effectively to meet the Strategic goals and Mission Statement. They are distinct but complementary ways of obtaining information for decisions. The PIF will be designed to provide timely and relevant information for reporting on progress, quality and efficiency relevant to managers' requirements to assess how well a Programme or Project is performing. A limited set of performance indicators for each objective will be used to assess progress towards that objective. These assessments about whether the expected results are being achieved on schedule and within cost will form the basis for the development of an annual programme of evaluations. Questions about whether the results are being achieved and, if not, why, will be examined through formal Project monitoring and Programme evaluation processes. Evaluations will be planned more strategically to focus on critical areas of programmes, to feed into key programme decisions and to guide the directions and approaches used in forward programme development and project delivery.

7. STRATEGIC PARTNERSHIPS

35. In order to implement the Strategic Plan, the Secretariat will strengthen existing strategic partnerships and initiate others, based on the principle of mutual advantage. Such partnerships will take into consideration the global reach of membership of the Commonwealth and will thus also embrace relationships outside the Commonwealth itself. Already, these include the European Union, Finland, Iceland the African Development Bank, the Caribbean Investment Bank, La Francophonie and NEPAD. Relations with the NEPAD Secretariat will be strengthened and projects developed to support NEPAD programmes in areas where the Secretariat has a comparative advantage. Links with regional organisations such as the African Union, the Economic Community of West African States, and the Southern African Development Community will also be deepened.

36. The primary purpose of such strategic relationships lies in the exercise of influence, the creation of networks for the development of consensus on the major issues facing the international community such as world trade and building a Commonwealth presence worldwide.

37. Collaborative relationships can result from such partnerships where there is some degree of commonality of objective. In such cases co-funding relationships can develop. However, the primary purpose of strategic partnerships is political rather than fund-raising.

38. In consultation with the Commonwealth Foundation, and building on its own contact base, the Secretariat will give greater emphasis to developing partnerships with both pan-Commonwealth civil society organisations (CSOs) and with other relevant CSOs to deepen the impact of its programmes. Existing regular consultations

between the Secretariat and pan-Commonwealth CSOs will be broadened to include a wider range of civil society organisations in the design and implementation of Secretariat activities. The new procedures for accreditation to the Commonwealth, which aim to accredit a larger number of CSOs committed to Commonwealth values, will help to facilitate this as will other operational collaborative mechanisms such as focus groups and project partnerships.

39. The Secretariat will also strengthen its partnerships with the Commonwealth Foundation and Commonwealth of Learning. Regular consultations with both organisations will continue to take place in the Coolum Committee to facilitate greater co-ordination and minimise duplication of effort. The Secretariat's annual performance reports during the next Plan period will include reports on how partnerships with other organisations are helping to support the implementation of the Plan.

8. RESOURCES AND PROGRAMME SUPPORT

8.1 Financial Resources

40. The Strategic Plan will be financed by assessed contributions to the Commonwealth Secretariat budget (which will increase in line with inflation), voluntary contributions to the CFTC and voluntary contributions to the CYP. In addition, extra-budgetary contributions (e.g. for the TIAF and the Small States Joint Office in New York) will supplement these funds.

41. In their 2003 Aso Rock Declaration, Heads of Government commended the assistance provided by the CFTC to the development efforts of member countries and committed themselves to provide continued support for the Fund. They agreed that the resources available to the Fund should be enhanced and on no account be permitted to decline below their current levels in real terms. It is assumed that this commitment will be maintained during the Plan period. Current CFTC receipts are £21 million.

42. In approving the CYP three-year strategic plan for 2003-2006, the 2003 CYMM agreed that the CYP budget for 2003/04 be £2.4 million, and the budget in each subsequent year of the CYP Strategic Plan be fixed at the 2003/04 level plus the appropriate inflation uplift factor. The Secretariat's governing bodies could review the resource requirements of the CYP at the end of the current strategic plan of the CYP (i.e. at the end of fiscal year 2005/06).

43. The Secretariat's two-year Operational Plan and Budget (2004/05-2005/06) will provide the necessary operational and budgetary details. Throughout the Plan period, efforts will be made to seek additional efficiencies, where possible, in order to reduce administrative and operational costs, so that greater resources can be provided for direct programme expenditure in high priority areas. A balance will be maintained between the Secretariat's political and developmental work, while recognising that these areas are mutually reinforcing and support the nexus between democracy and development.

8.2 Financial Management

44. The Secretariat has embarked upon a transition from cash accounting-based financial management towards accrual-based accounting in accordance with International Public Sector Accounting Standards. Previous practices have not taken full account of the liabilities incurred by the organisation nor have they recognised the assets owned, managed and used by the Secretariat to deliver its programmes. Management information will be developed further to assist managers to discharge their reporting and accountability obligations. A further step in this process will be to prepare budgets on the same basis as external financial reports.

8.3 Secretariat's Structure and Human Resources Strategy

45. Human resource management strategy will be directed towards three key results: that relevant and timely human resource information is available for management decision-making; that modern human resource management techniques are embedded in the organisation; and that all posts are properly evaluated and filled with qualified people. The Secretariat's current structure and establishment ought to be adequate to support the implementation of the Strategic Plan. However, Management may make some adjustments to take account of the 2003 CHOGM outcomes.

8.4 Information Technology (IT) Strategy

46. Information technology strategy will focus on delivery of suitable technology to ensure efficient support of business processes and the timely delivery of new systems or functionality to support organisational change.

8.5 Communications Strategy

47. Communications strategy will aim to increase global awareness of the work and value of the Commonwealth, focusing on key constituencies such as young people, parliamentarians, the media and civil society organisations. The Secretariat's website will be improved continuously to raise the profile of the Commonwealth through the provision of easy to access, clear, high quality information useful to a varied audience.

48. The Secretariat is encouraging member countries to develop a country focal point for the dissemination of information about the Commonwealth. The Secretariat will use Commonwealth Regional Youth Centres as one conduit for the dissemination of information on Commonwealth activities and achievements. A central part of the Secretariat's communications strategy is to continually improve what it delivers via the Web, while recognising that the digital divide exists, and recognising that printed hard copy materials are always in high demand. Country information focal points, depending on how many are created, can therefore expect to receive a limited amount of printed/physical materials (e.g. posters, brochures, reports and video cassettes), but will receive the majority of information electronically via the website and email.

49. The Secretariat will make sustained efforts to improve and strengthen media relations and will continue to cultivate the Secretariat's productive relationship with

media around the globe. Greater efforts will also be made during the Plan period to strengthen information-sharing with non-governmental Commonwealth partners, to gain a closer understanding of which partners are best at delivering a large audience, and delivering the right Commonwealth messages to their constituents.

9. GOVERNANCE AND MANAGEMENT

50. The Secretariat's current governance arrangements were put in place in line with the decisions of the 2002 CHOGM. The three strands of the Secretariat's work, developmental, political and youth, though separately funded and audited, were placed under the policy direction of a single Board of Governors and its Executive Committee. This change in the governance structure was intended to ensure a holistic approach to planning and implementation and the application of results based management to the Secretariat's work. The governance arrangements will remain essentially the same during the Plan period. At its September 2002 meeting, the Executive Committee of the Board of Governors concluded that the current governance arrangements have been working well, although an ongoing effort is needed to streamline governance procedures and strengthen the strategic oversight role of the Secretariat governing bodies.

51. There are three significant modifications in the governance arrangements:

- the Board of Governors and its Executive Committee will have a lighter work load with the dissolution of the CSC and its replacement by an organisation that will be governed autonomously;
- as a result of the changes to be introduced in the governance of the CYP, the Secretariat governing bodies will have direct oversight of the resources and activities of the CYP; and
- in years in which a CHOGM takes place, the Board of Governors will undertake oversight of the preparations for the CHOGM by meeting as the Committee of the Whole in London, a month prior to the CHOGM.

52. The Board of Governors, assisted by its Executive Committee, will oversee the implementation of the Strategic Plan and assess progress on the basis of regular performance reports by the Secretariat.

Annex 1

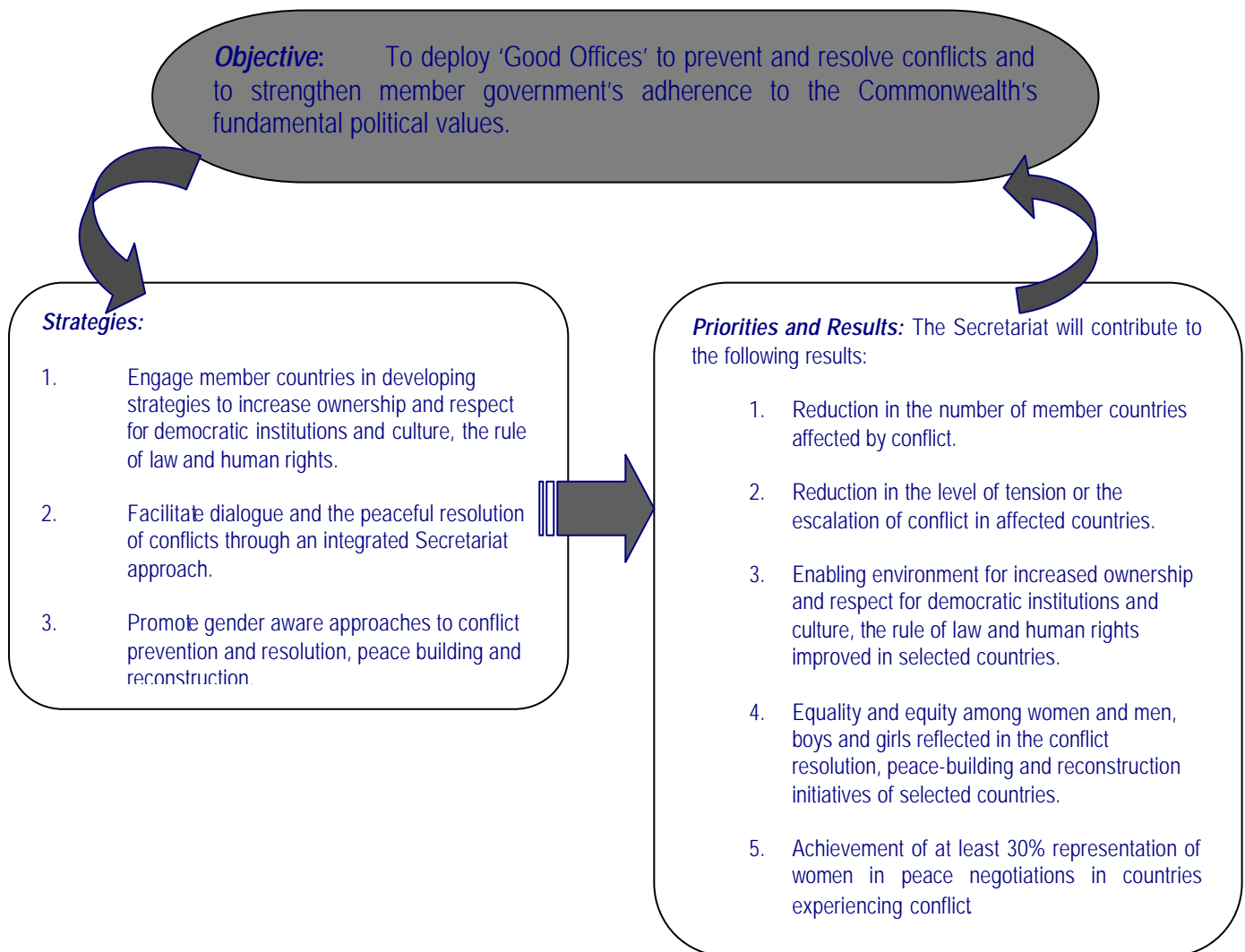
This Annex provides Statements for each of the new Programmes setting out the context/rationale, objective, strategies and expected results. Performance Indicators and more specific results are presented in the draft Operational Plan and Budget for 2004/05-2005/06 (see EC4/BG1(03/04)2).

PROGRAMME STATEMENTS

PEACE AND DEMOCRACY

1 Good Offices for Peace

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to the deployment of experts and envoys to support peaceful resolution of conflicts, strengthen democratic processes and assist members move towards a stronger governance framework. Emphasis on the importance of including women as equal representatives in these processes will be at the forefront of our work.



2 Democracy and Consensus Building

Context and Rationale for strategic approach: In light of the re-affirmation by the 2003 CHOGM of the importance of the Commonwealth's commitment to democracy and consensus building, the Secretariat will continue to give priority to support building democracy in Commonwealth countries as well as promoting consensus on key political issues. It will do this through policy advice, high level consultations including CHOGM and other inter-governmental meetings, support to CMAG as the custodian of the Harare Principles, building partnerships with regional and international organisations, the observation of elections and provision of democracy advisory services. Emphasis on integrating human rights and including women as equal representatives in democratic processes will be at the forefront of our work.

Objective: To strengthen democracy in Commonwealth member countries and promote consensus on key political issues

Strategies:

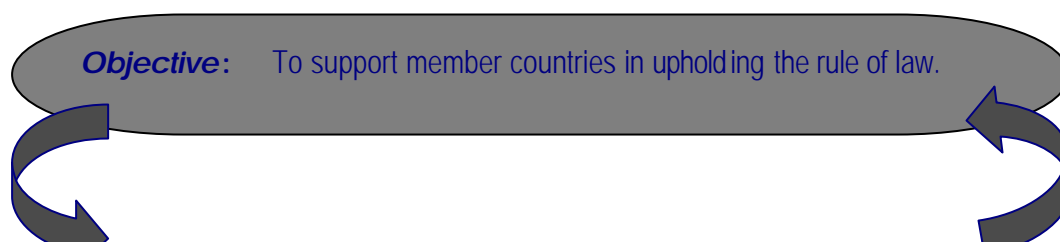
1. Promote understanding of democracy, adherence to the democratic principle and achievement of substance rather than form in democratic arrangements.
2. Promote consultations and consensus building on key political issues.
3. Strengthen democratic processes and institutions and promote best practice, especially through assistance to election management bodies, political parties and civil society.
4. Promote women's effective participation, representation and leadership in decision-making institutions and processes.

Priorities and Results: The Secretariat will contribute to the following results:

1. A political culture that promotes democracy, transparency, accountability and economic development in member countries.
2. Consensus developed on key political issues, including through CHOGMs and other intergovernmental meetings.
3. Partnerships strengthened with relevant Commonwealth and other multilateral organisations and with NGOs on political issues.
4. Democratic processes and key institutions strengthened.
5. Election processes conducted with credibility.
6. At least 30% of decision-making positions at the highest levels in member countries occupied by women.
7. Women participate more effectively and influence political decision-making in member countries.

3 Rule of Law

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to the provision of technical assistance and policy advice on strengthening and further building capacity in judicial and legal processes and institutions. Particular attention will be given to supporting countries develop stronger legal frameworks and the operational capacity to address the threat to security and to social and financial stability from terrorism and money laundering.



Strategies:

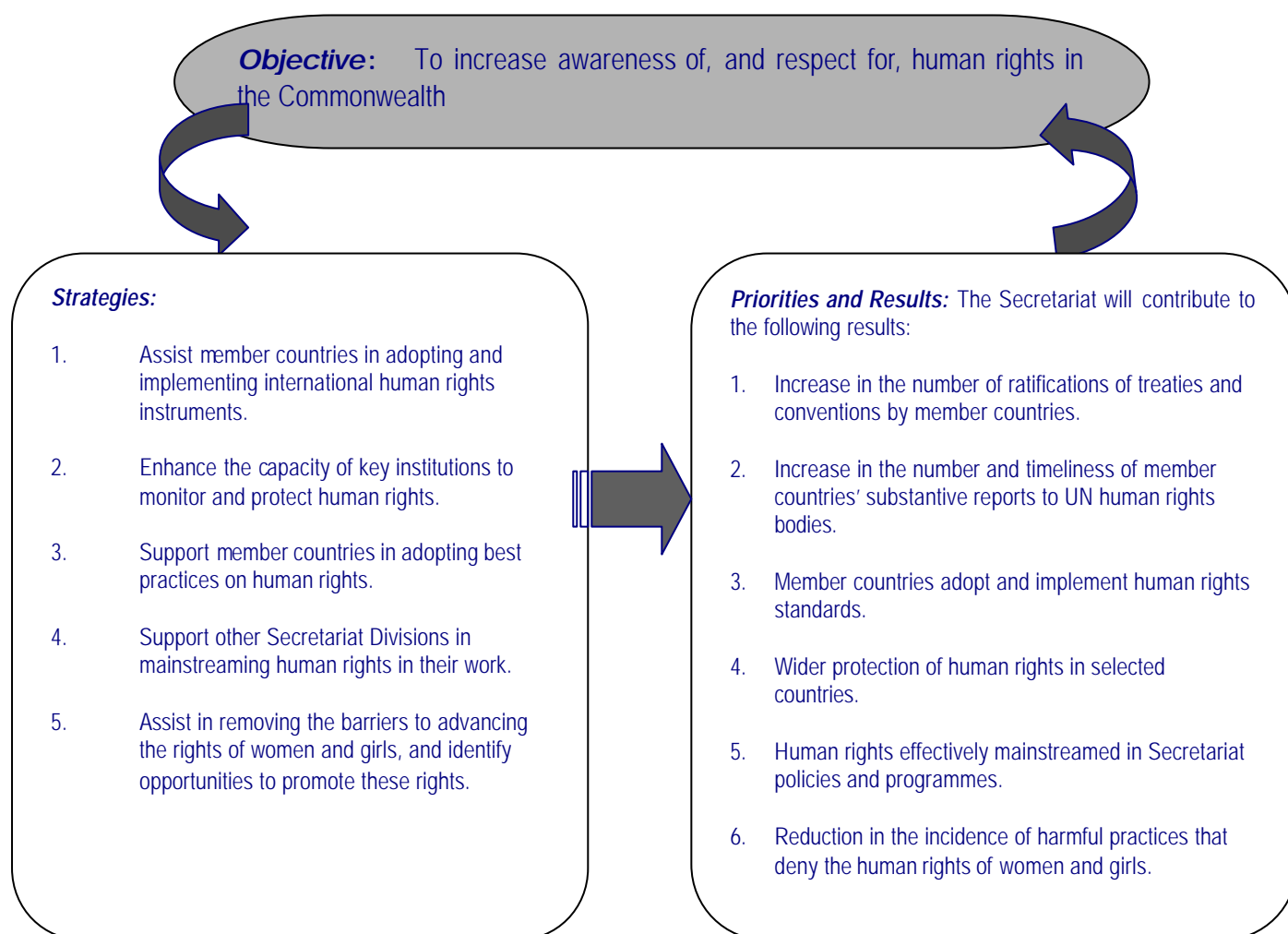
1. Deepen understanding and respect for the rule of law consistent with the Commonwealth's fundamental political values.
2. Build and strengthen institutions and processes in member countries to strengthen the rule of law and combat corruption.
3. Assist member countries to develop and implement international conventions and laws.
4. Support member countries in combating terrorism and money-laundering.
5. Integrate the gender dimension in legal, judicial and constitutional reforms and training.

Priorities and Results: The Secretariat will contribute to the following results:

1. Rule of law strengthened in selected countries.
2. Civil society plays a more effective role in government accountability in selected countries.
3. Selected member countries more effectively negotiate and implement international conventions and laws.
4. Measures and institutions to prevent and combat corruption strengthened.
5. Anti-terrorism measures strengthened in selected countries.
6. Anti-money-laundering measures strengthened in selected countries.
7. Increased adoption and implementation of gender-aware legislation in support of the rights of women and girls.

4 Human Rights

Context and Rationale for strategic approach: In the light of the renewed commitment by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to promoting international human rights standards and providing technical assistance and policy advice on strengthening human rights institutions and promoting best practices on human rights across the Commonwealth.



PRO-POOR GROWTH AND SUSTAINABLE DEVELOPMENT

5 International Trade

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue its work to assist countries, particularly LDCs and small states, in addressing the complexity of international trade negotiations and managing the impact of globalisation. Strengthening trade policy development and the capacity to participate actively in international fora is therefore a key strategic thrust of the programme and recognizes the vital link between trade and overall growth and development. At the national level the programme will also support trade promotion and facilitation and support members in coping with international rules and standards. Access to markets and market development is also a key aspect of export trade development on which the programme will focus.

Objective: To enhance the ability of developing member countries, especially small states and LDCs, to formulate, manage and implement trade policy at national, regional and multilateral levels and to benefit from these changes.

Strategies:

1. Enhance the capacity of member countries to negotiate the Doha development agenda.
2. Enhance the capacity of Commonwealth ACP members to negotiate development-oriented Economic Partnership Agreements (EPAs).
3. Strengthen trade policy capacity in regional organisations' secretariats and trade ministries, and support regional integration processes.
4. Improve export competitiveness through capacity building in promotion and facilitation.
5. Provide advice on international trade law and strengthen institutional frameworks addressing the legal aspects of international trade.
6. Promote the development and implementation of gender-aware national, regional and international trade policies.
7. Advise Ministries of Trade on gender-aware issues in trade policy development.

Priorities and Results:

The Secretariat will contribute to the following results:

1. Developing member countries able to participate more effectively in WTO negotiations.
2. ACP member countries participate more effectively in negotiating development oriented EPAs.
3. Trade policy capacity strengthened in selected regional organisations and integration processes supported in selected regions.
4. Better export and sector strategies, new markets developed and improved rate of compliance with international rules and standards.
5. Institutional and legal frameworks on legal aspects of international trade law for the implementation of fair and equitable international trade arrangements strengthened.
6. Benefits secured for women from trade liberalisation.

6 Investment

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to help create enabling conditions that will facilitate the mobilisation of investment resources and help to build the capacities needed in member states to produce competitive goods and services. In view of the continued paucity and skewed distribution of private investment in most member countries, the Secretariat will also develop and implement strategies and policies that contribute towards making member countries, especially small states and LDCs, more attractive destinations for FDI and inward investment. Through these means, the programme can contribute to job creation and facilitate more effective use of resources in priority areas of concern to governments in tackling poverty.

Objective: To enhance the ability of member countries, especially small states and LDCs, to attract investments and to assist in orienting these resources to developmentally beneficial purposes.

Strategies:

1. Support member countries in developing open and transparent investment regimes.
2. Support member countries in their negotiations with foreign investors.
3. Establish and support mechanisms which mobilise finance for member countries.
4. Support member countries to develop indigenous capital markets.
5. Support member countries to strengthen agricultural and enterprise competitiveness, particularly at the SME level.
6. Advise member countries on maritime boundary delimitation.
7. Support women entrepreneurs.

Priorities and Results: The Secretariat will contribute to the following results:

1. Improved investment climate in member countries, especially small states and LDCs.
2. Cost-effective mechanisms established to attract long-term capital investment.
3. Robust indigenous capital markets operating in selected countries.
4. Better policies, strategies and stronger institutional capacities for SME development.
5. Selected countries better able to secure their maritime boundaries.
6. Increased number of successful women entrepreneurs and women owned businesses.

7 Finance and Debt

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, and the commitment by the international community to implement the Monterrey Consensus and achieve the MDGs, the Secretariat will continue to give priority to advocacy for the mobilisation and disbursement of adequate financial resources to meet the MDGs. It will therefore focus on improved aid effectiveness in terms of encouraging higher donor volumes, better donor alignment behind country-owned poverty reduction strategies, improved delivery practices and stronger member country implementation capability. The Secretariat will also continue to emphasise sustainable debt management through both advocacy and capacity building.

Objective: To improve the ability of member countries to mobilise financial resources and use them more effectively.

Strategies:

1. Advocacy on increasing the level and effectiveness of ODA especially for LDCs and small states.
2. Advocacy to enhance the voice of developing member countries in the governance of the IFIs.
3. Support the strengthened implementation of the HIPC initiative.
4. Enhance the capacity of member countries for sustainable debt management.
5. Monitor alignment of donor and IFI support behind country-owned PRSP processes.
6. Promote the implementation of gender responsive budgets.

Priorities and Results: The Secretariat will contribute to the following results:

1. Commonwealth advocacy contributes to reducing the ODA shortfall in relation to the MDGs.
2. Developing countries play a more active role in the governance arrangements and decisions of the IFIs.
3. Commonwealth advocacy contributes to faster and deeper debt relief for Commonwealth HIPC countries and technical assistance contributes to more effective debt management in HIPC countries.
4. Policies, structures and systems to manage borrowings and debt in a sustainable manner developed in selected countries.
5. Increased understanding of the extent to which donor and IFI support is aligned with PRSPs.
6. Gender responsive budgeting adopted in selected countries.
7. PRSPs, SWAPs and other poverty reduction frameworks include a gender dimension in selected countries.

8 Public Sector Development

Context and Rationale for strategic approach: Governments have a fundamental responsibility for the development, security and wellbeing of their citizens. In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to provision of technical assistance. Policy advice will also play a central role in our strategy to strengthen public sector institutions and service delivery processes to assist member countries to move to stronger governance frameworks.

Objective: To build capacity and promote the efficiency and effectiveness of national and regional public sector institutions.

Strategies:

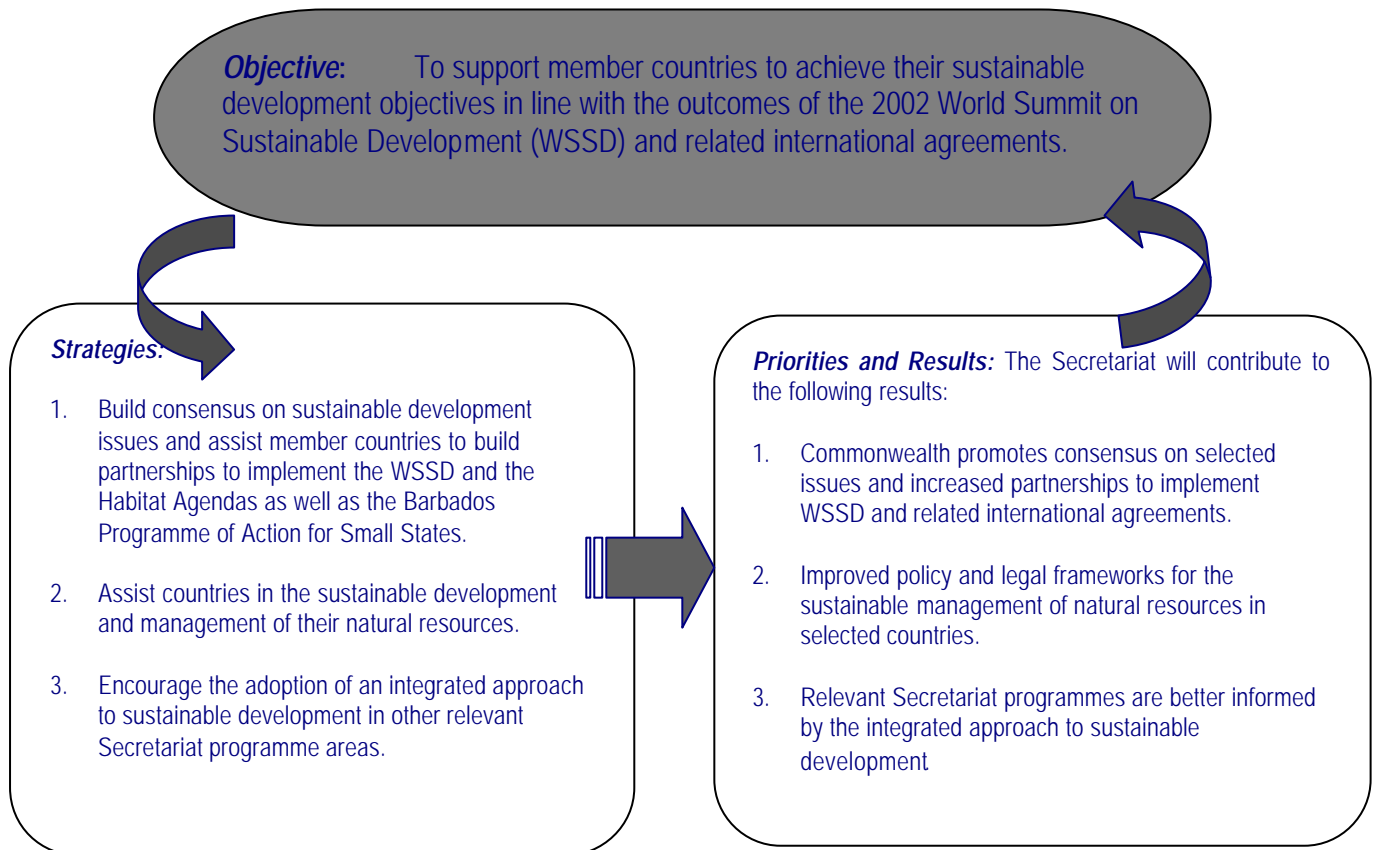
1. Support members in their development of policy, planning and operational capacity in public administrations, and in effective public sector leadership, budgeting and management.
2. Broker the use of best practice across Commonwealth public and private sectors.
3. Support institutional strengthening in national and regional training and development organisations.
4. Support and strengthen the development of effective oversight institutions which promote integrity and high professional standards and reduce corruption.
5. Strengthen private sector regulatory and governance regimes.
6. Develop and promote systems of information, access and participation which protect the public interest and maximise citizen engagement.
7. Develop national e-governance strategies and policy frameworks and disseminate best practices.

Priorities and Results: The Secretariat will contribute to the following results:

1. Trained professional public services, capable of implementing programmes and providing efficient and effective services.
2. Capable and well-functioning public sector training institutions and professional public sector bodies and associations.
3. Robust, independent constitutional bodies which monitor the work of governments and public administrations, and act as effective avenues for citizen redress.
4. A predictable and transparent regulatory environment conducive to private sector development and good corporate governance.
5. A better informed civil society actively participating in the business of government and public administration.
6. E-governance strategies developed in selected countries.

9 Environmentally Sustainable Development

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to supporting consensus building on sustainable development issues, implementation of the 2003 WSSD outcomes and the 1994 Barbados Programme of Action for small states. It will also promote best practice in the sustainable management of natural resources.



10. Small States

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will ensure the concerns of small states continue to be placed at the forefront of international dialogues. Secretariat programmes in all sectors will maintain a special focus on the needs of small states, and the level of resources directed to small states, particularly through the CFTC, will be maintained as in previous years. A specific focus of this Programme will be to implement the framework for strengthening collaboration with partner organisations on small states issues, which was agreed by the 2003 MGSS.

Objective: To promote greater international attention to, and provide support for, the special needs of small states.

Strategies:

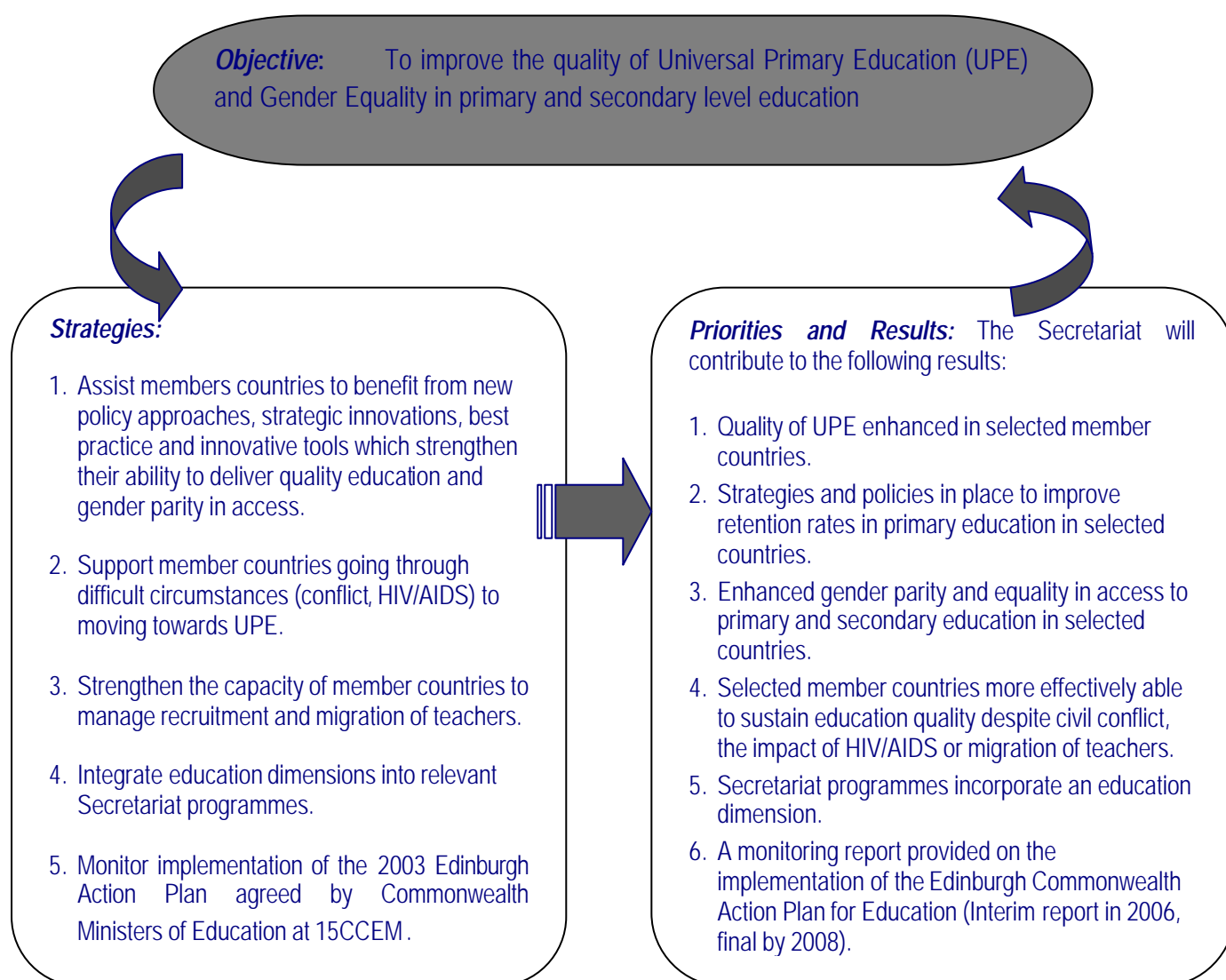
1. Promote partnerships with relevant international institutions in implementing the New Agenda for Commonwealth Work on Small States.
2. Promote high level attention to issues concerning small states at Commonwealth and other international meetings.
3. Assist small states access greater resources and support for their needs from the IFIs, WTO and other organisations.
4. Encourage and promote regional approaches in addressing small states issues.

Priorities and Results: The Secretariat will contribute to the following results:

1. Partnerships developed with selected institutions that are beneficial to small states.
2. Greater international focus on small states concerns and needs.
3. An increased number of instances where policies and programmes of other organisations provide additional support to small states.
4. An increased number of instances where small states use regional approaches.

11 Education

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM to attain the MDGs in respect of education, this Programme will focus on two core areas of key priority for all members: achieving good quality universal primary education and reducing gender disparity in access to primary and secondary education, particularly in LDCs and small states. To achieve this, the Secretariat will operate at a number of strategic levels promoting education as a key priority in all Commonwealth agendas, facilitating matching of educational needs with the broader range of Commonwealth resources available and, demonstrating and sharing best practices for wider replication. Drawing on the strength and diversity of experiences across the Commonwealth the Secretariat will act as a knowledge-based network in collaboration with the wide range of Commonwealth centres of excellence and expertise in the sector.



12 Health

Context and Rationale for strategic approach: In the light of the commitment of member governments, as reaffirmed at the 2003 CHOGM, to attain the Millennium Development Goals (MDGs), especially in regard to health, the Secretariat will continue to work with its several partners to assist countries to develop the multi-sectoral response needed to meet the MDGs relating to maternal health, child mortality and HIV/AIDS. Maternal and child mortality rates are sensitive indicators of the level of development in a country and HIV/AIDS, by depriving a country of skilled human resources, threatens development progress. For this reason, the Secretariat will focus on these three areas as the core strategic thrust of our efforts in health.

Objective: To strengthen health systems and programmes focusing on HIV/AIDS, maternal mortality and infant mortality.

Strategies:

1. Deepen member countries' understanding of factors affecting maternal mortality and develop multi-sectoral strategies for the reduction of maternal mortality rates.
2. Provide advice and guidance to programme areas across the Secretariat to ensure a coordinated and effective response to the HIV/AIDS pandemic.
3. Support member countries to implement a multi-sectoral response to HIV/AIDS prevention, treatment, care and support including engagement of men in HIV/AIDS programmes.
4. Strengthen the capacity of member countries to manage migration of health workers.
5. Develop effective tools to assess the impact of HIV/AIDS on human resources in the health sector.
6. Integrate health dimensions into other Secretariat programmes and develop strategic partnerships with other organisations.

Priorities and Results: The Secretariat will contribute to the following results:

1. Programmes to reduce maternal mortality implemented in at least 3 member countries with high rates.
2. A multi-sectoral strategy to address HIV/AIDS incorporated in key programmes across the Secretariat.
3. At least a quarter of member countries implementing HIV/AIDS policies, plans and programmes through a multi-sectoral approach which incorporates gender and youth dimensions.
4. At least a quarter of member countries adopt improved systems and mechanisms for managing migration of health workers.
5. Countries better equipped to assess health human resource needs for replacement planning.
6. Health dimensions integrated into other relevant Secretariat programmes.

13 Young People

Context and Rationale for strategic approach: Consistent with the 2003 CHOGM mandate, the strategic thrust of the Programme will continue to be to support and nurture the young people of the Commonwealth so they can play a more active and productive role in their communities. CHOGM 2003 recognised that more than 50% of the total Commonwealth population is below the age of 30 and that Commonwealth efforts to achieve the MDGs must take this demographic reality into account by ensuring that young people are at the centre of development and democracy. Through a cross-cutting rights-based approach, with youth as equal partners, and working with government ministries, community groups, civil society partners and other donors, the Secretariat will focus on developing the social, political, economic and human rights of youth. A particular emphasis will be on supporting young people affected by HIV/AIDs. Through consultation and collaboration with key sector programmes across the Secretariat, the youth perspective will be brought to the fore in other areas such as human rights, citizenship, environment and sustainable development, poverty alleviation, peace building, gender and conflict.

Objective: To empower young people to transform and improve the quality of their lives and realise their potential.

Strategies:

1. Promote youth enterprise development in member countries.
2. Facilitate the development and active participation of young people in networks and structures for good governance.
3. Assist governments and other stakeholders to create the enabling environment for young people to actively participate in their society.
4. Develop and promote youth work education and training for the professionalisation of the youth sector.
5. Provide opportunities for young people to develop knowledge and skills and share experiences in the use of information technology.
6. Promote a multi-sectoral strategy for mainstreaming youth issues in Secretariat programmes, in governments, civil society and other Commonwealth organisations.
7. Disseminate and communicate experiences results lessons and best practices in youth development.

Priorities and Results:

The Secretariat will contribute to the following results:

1. Increased number of opportunities for young people to create their own enterprises and to be engaged in viable economic activities.
2. Young people actively involved in youth networks in governance and other decision-making fora in selected countries.
3. Young people play a more active and participatory role in national, social, political and economic development processes in selected countries.
4. A professional youth service established in selected countries with increased numbers of formal and non-formal graduates.
5. Increased numbers of young people can access information technology programmes through the delivery of CYP Technology Empowerment Centre programmes in selected countries.
6. CYP regional centres become pro-active information points on youth issues and perspectives for Commonwealth citizens.
7. Youth issues and perspectives are incorporated into the work of key programmes across the Secretariat.

14 Gender Equality and Equity

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to the promotion of gender equality and equity in all political, economic and social programmes of the Secretariat's programme of assistance, and assist member countries to mainstream gender issues throughout their development strategies and plans in policy-making, development planning and implementation.



15 Capacity Building & Institutional Development

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to the deployment of long-term experts to build capacity and appropriate skills in key political, economic and social institutions in support of the Secretariat's other programmes.

Objective: To strengthen the capacity of local, national and regional institutions in areas critical to good governance and sustainable development through the placement of experts.

Strategies:

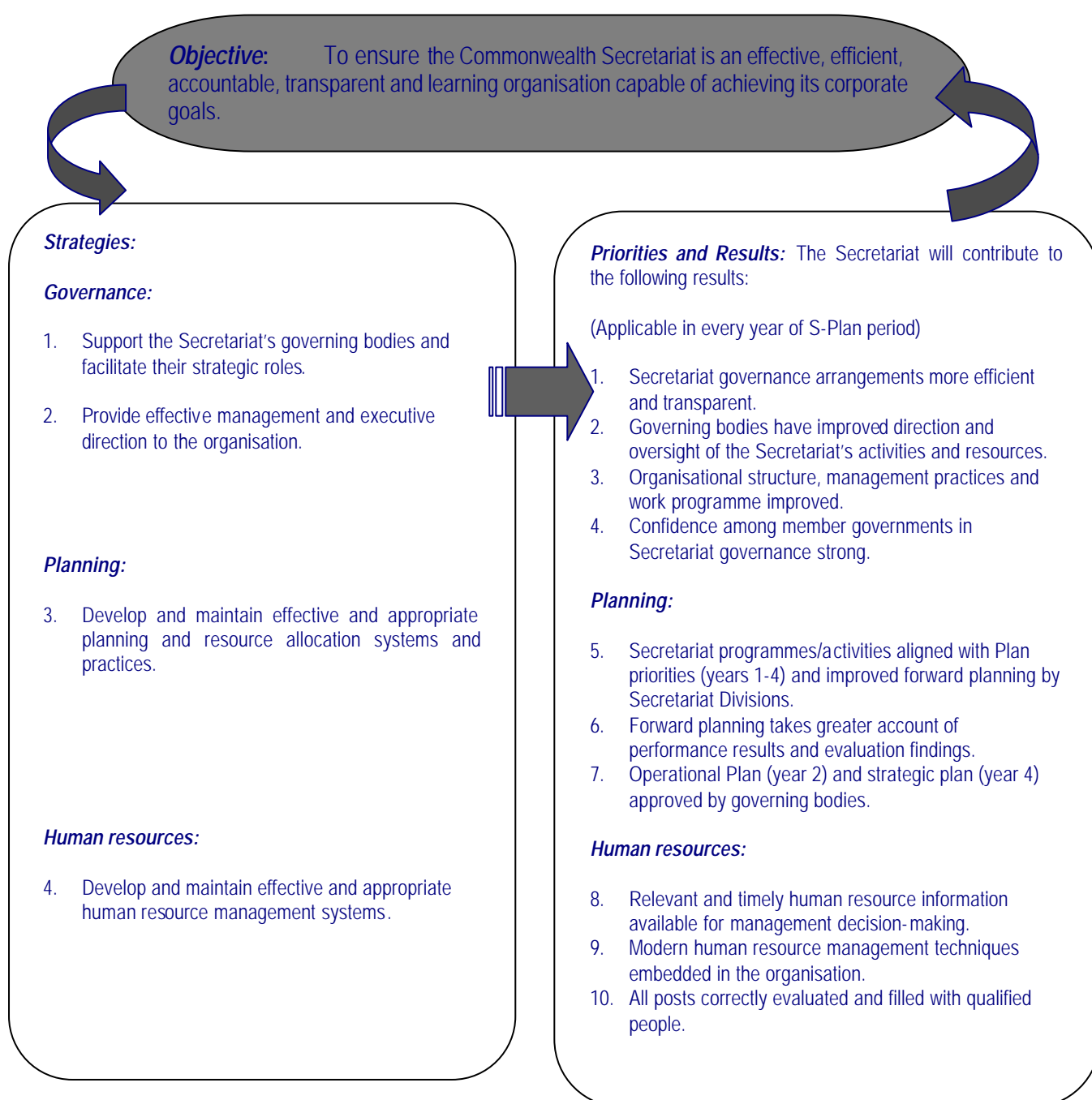
1. Assist member countries in developing and implementing sound policies, processes and systems in support of development priorities.
2. Develop and manage technical expertise and related capacity building activities in support of members' strategic development needs.
3. Ensure the requirements for critical expertise for capacity building and institutional strengthening in all Secretariat programmes are met effectively.
4. Transfer skills and expertise to fill strategic gaps in areas critical to national development processes.
5. Support member countries' development strategies through the Commonwealth Service Abroad Programme (CSAP).

Priorities and Results: The Secretariat will contribute to the following results:

1. Public sector delivery is more efficient in critical service areas.
2. National development processes more effective and skills and knowledge incorporated more productively to meet development needs.
3. Key public sector institutions, regional bodies and non-state organisations more effective in supporting national development priorities.
4. National and community-level development processes in critical areas strengthened through the transfer of specialist skills and cutting edge knowledge.

16 Secretariat Governance, Management, Communications

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to implement the HLG reforms aimed at strengthening the governance framework and improving its management effectiveness and efficiency. The emphasis and focus will be on enhancing systems, procedures and practices across the organisation that reflect the high standards required of an international organisation. Immediate priority will be on enhancing the efficiency and transparency of financial management systems, implementing new arrangements for human resource recruitment and management, including equitable performance management practices, developing robust systems to support performance information and reporting on results, on streamlining communications and in developing innovative approaches to engage with civil society and the wider Commonwealth.



16. Secretariat Governance, Management, Communications Cont'd.

Objective: To ensure the Commonwealth Secretariat is an effective, efficient, accountable, transparent and learning organisation capable of achieving its corporate goals.

Strategies:

Evaluation:

5. Develop a performance information framework to support results based management.
6. Undertake an annual evaluation program which contributes to enhanced programme effectiveness and impact and to improved management efficiency.

Quality assurance:

7. Establish quality assurance and review management processes at all stages of the project cycle.

Information:

8. Develop and maintain a culture of information sharing and learning across the Secretariat.
9. Develop and maintain effective and appropriate information and communications systems.

Financial management:

10. Develop and maintain effective and appropriate financial management systems.
11. Necessary and sufficient funds held to meet reasonable expectations of forward commitments.
12. Working capital and fixed asset investment properly support the Secretariat's functions.

Priorities and Results: The Secretariat will contribute to the following results:

Evaluation:

11. A performance information framework established as the basis of programme management (by year 2).
12. A transparent and efficient forward planning and expenditure management system linked to performance information developed and in use (by year 3).
13. Programmes designed, managed and reported on in terms of results and outcomes (by year 3).
14. Evaluation studies contribute to programme effectiveness and sustainability and guide forward programming decisions (by year 4).

Quality Assurance:

15. Quality assurance reporting supports programme planning and management decisions.
16. Accurate and timely information on development activities and processes available.

Information:

17. Improved management of information in support of programme quality and delivery, development effectiveness and sustainability.
18. Internal IT communications systems operate efficiently in support of business processes and organisational requirement.
19. New ICT systems are developed and delivered on time to support operational changes.

Financial Management:

20. Annual financial statements prepared and unqualified audit opinion issued within 6 months of the year end.
21. Regular management accounts prepared on a timely basis to facilitate strategic decision making.
22. Reliable and timely financial information and reports made available to governing bodies.
23. The Secretariat's financial ledger system (CODA) regarded as the authoritative source of financial information.
24. Contributions received from member countries recorded on a timely basis.
25. Strengthened Durban Guidelines are implemented.

Objective: To ensure the Commonwealth Secretariat is an effective, efficient, accountable, transparent and learning organisation capable of achieving its corporate goals.

Strategies:

Physical Establishment:

- 13. Effectively manage the Secretariat's physical assets and working environment.

Public Relations:

- 14. Promote greater global awareness of the work and value of the Commonwealth.

Partnerships:

- 15. Strengthen relations with other Commonwealth organisations and with civil society.
- 16. Develop strategic partnerships with other development organisations and networks.

Priorities and Results: The Secretariat will contribute to the following results:

- 26. A long-range plan for the maintenance and refurbishment of property which supports decisions on future resources needs and financial flows (by Year 1).
- 27. A high-quality working environment maintained (ongoing).
- 28. Accurate and up-to-date physical assets register.
- 29. Prevention and loss mitigation strategies functioning smoothly (e.g. insurance, health and safety mechanisms).
- 30. Strategies in place to reduce the Secretariat's environmental 'footprint' (waste reduction/recycling, energy efficiency).
- 31. Effective logistical support for Secretariat operations and meetings.

Public Relations

- 32. A greater proportion of Commonwealth and non-Commonwealth citizens have a basic knowledge of what the Commonwealth is and what it does.
- 33. A greater proportion of school and college students, from Commonwealth and non-Commonwealth countries, have a basic knowledge of what the Commonwealth is and what it does.
- 34. The Commonwealth is more frequently and more positively mentioned in media outlets.
- 35. Member governments encouraged to promote the benefits of the association more energetically within their countries.
- 36. Hits on www.thecommonwealth.org show healthy growth year on year.

Partnerships:

- 37. Increased consultation and collaboration among Commonwealth intergovernmental organisations and other bodies (years 1-4).
- 38. Greater space for CSOs to contribute to Commonwealth intergovernmental processes (years 1-4).
- 39. Additional extra-budgetary resources mobilised (years 1-4).
- 40. Existing partnerships strengthened and new partnerships established with other organizations.

Annex 2
CFTC PLANNING AND IMPLEMENTATION
FRAMEWORK
2004/05-2007/08

INTRODUCTION

1. This Annex has been prepared in accordance with clause II.5 of the Memorandum of Understanding on the Commonwealth Fund for Technical Co-operation (CFTC) (as revised by member governments in 2002), which states that, *“The Fund will draw its focus from the development content of the Commonwealth Secretariat’s Strategic Plan that in turn will reflect the decisions and direction of Commonwealth Heads of Government. The Plan will include as an annex, a planning and implementation framework for the CFTC that, with the Plan itself, will be reviewed every four years and approved by the Board of Governors. The implementation framework may cover, inter alia, details on the targeted development results of the Fund and the evaluation and accountability approaches used”*.

1. MISSION STATEMENT

2. Deriving its mandates from Heads of Government, the Commonwealth Secretariat serves the needs of the Commonwealth’s member governments and their peoples in the political, economic and social developmental, and youth spheres, through the combined resources of assessed contributions and voluntary contributions to the CFTC and the CYP. The CFTC, which is administered by the Commonwealth Secretariat, is the association’s primary Commonwealth intergovernmental instrument for technical assistance and development co-operation among member governments. It is mainly concerned with supporting the third element of the Secretariat’s Mission Statement:

“We work as a trusted partner for all Commonwealth people as:

- a force for peace, democracy, equality and good governance;
- a catalyst for global consensus-building; and
- a source of assistance for sustainable development and poverty eradication”.

2. VALUES AND VISION

3. The CFTC will continue to operate within the framework of the fundamental values of the Commonwealth, which are:

- Democracy, democratic processes and institutions which reflect national circumstances, the rule of law and the independence of the judiciary, and just and honest government.
- Fundamental human rights, including equal rights and opportunities for all citizens regardless of race, colour, gender, creed or political belief.
- Equality for women so that they may exercise their full and equal rights.
- Universal access to primary education for all children.
- Sustainable development and the alleviation of poverty.

4. The CFTC will contribute to implementing the 2003 Commonwealth Aso Rock Declaration's vision of a Commonwealth:

- that is committed to democracy, including the active participation of civil society, good governance, human rights, gender equality and a more equitable sharing of the benefits of globalisation;
- that recognises that development and democracy must be mutually reinforcing, since broad-based prosperity creates the stability conducive to the promotion of democracy and strong democratic institutions promote better development;
- that will work to make democracy work better for pro-poor development by implementing sustainable development programmes and enhancing democratic institutions and processes in all human endeavours; and
- is determined to attain the Millennium Development Goals (MDGs), particularly in regard to health and education.

3. CHALLENGES AND PRIORITIES: THE CONTEXT

5. Considerable progress has been made to implement the decisions of the 2002 CHOGM and the recommendations of the High Level Review Group (HLG) during the 2002/03-2003/04 Strategic Plan. There has been greater Commonwealth advocacy and CFTC technical assistance provided to member countries to address key developmental issues, especially those affecting small states and LDCs. Programmes supported by the CFTC have been put in place to help member countries to adapt and benefit from globalisation, to strengthen governance systems and to build capacity in key institutions, ranging from enhancing the capacity of governments to manage foreign and domestic debt, identifying and maximising trade and enterprise opportunities, and contributing to building robust health and education systems. Notwithstanding this progress, several challenges remain.

6. The international context in which the CFTC operates has not changed in any fundamental way since the 2002/03-2003/04 Strategic Plan was adopted. However, certain problems have become more acute and new challenges have arisen which demand new insights and action.

7. Despite the setbacks at Cancun, the new round of WTO multilateral trade negotiations has the potential to spread the benefits of globalisation more widely, provided there is political will on the part of the whole international community to change entrenched positions and adopt a more enlightened view of national political and economic interests. This will be essential to ensure the potential benefits of the Doha Development Round can be delivered, especially to the least developed and most vulnerable countries of the Commonwealth.

8. The outcomes of the 2002 World Summit on Sustainable Development, the 2002 Monterrey Consensus on financing for development and the ongoing WTO Doha Round have revealed the importance of achieving rapid progress on the sustainable development agenda.

9. Only through a concerted approach which recognises the link between poverty and instability and seeks to advance human well being in a participatory and sustainable environment can the promise of these international agreements be achieved. As the 2003

Commonwealth Aso Rock Declaration emphasises, the Commonwealth must strengthen multilateralism, international co-operation, partnership and productive working relationships between government and civil society. Member countries continue to need CFTC assistance to develop the necessary skills base to identify and exploit opportunities for trade and enterprise development in a range of economic sectors at the national, regional and international levels in order to achieve poverty eradication and pro-poor development.

10. Of the thirty one countries which have made only slow progress towards the Millennium Development Goals (MDGs)³, nine are Commonwealth members. The developmental challenges facing Commonwealth nations at the beginning of the 21st century are huge. Greater efforts to eradicate poverty and improve governance are essential for international equity, global peace and security. Within the framework of the MDGs, sustained action is required by all development partners to ensure globalisation provides real opportunities for developing countries to transform their economies and societies through diversification for the benefit of their citizens.

11. The global commitment to achieving the MDGs will obviously continue to be a high priority for Commonwealth governments. The major specific developmental challenges they face, include:

- Trade liberalisation
- HIV/AIDS
- Global and domestic security and combating terrorism
- Poverty reduction
- Good governance including public sector reform and management
- Debt management
- Information and communications technologies
- Global environmental issues
- Youth development

12. The work of the CFTC is being influenced by several contextual factors, the most important of which are:

- Virtually every Commonwealth country is rethinking its approach to public sector management - reducing the role and size of government, changing methods of service delivery, privatising, decentralizing, deregulating, improving the relationship between citizens and government, and forming public-private partnerships.
- The patterns and distribution of social power and influence are changing rapidly. Authority and control are ebbing away from national governments to regional and international institutions, to provincial, state and municipal authorities and to groups and institutions in the private profit and NGO sectors.
- Governance and democratisation issues have become both more dominant and more intractable. Some countries are making increasing progress towards

³ It is likely that several other members are in the same position although there is insufficient data to assess their progress, according to UNDP.

more political accountability, freedom of association, improved legal frameworks, bureaucratic transparency and respect for human rights; at the same time, in others, social disorder, criminalisation, increasing violence and youth delinquency, ethnic tensions and growing lack of social trust and institutional legitimacy are major problems.

- Most public issues such as AIDS, environmental management, health care and youth development have evolved into multi-dimensional, multi-sectoral problems which require sustained attention, new institutional approaches and public and private support and involvement to deal with them.
- Development partners are under pressure to show development results and to be more cost-effective.

13. Several factors are also changing the relationship between development partners and the way they perceive themselves: shrinking resources; increased pressure for cost effectiveness and performance; adjustment of the roles of both developing countries and donors; greater emphasis on knowledge management and dissemination; strengthening of strategic partnerships and collaborative activities; and, perhaps most important, a growing realisation of the need to focus on developing national capacities as the key to sustainable development.

4. COMPARATIVE ADVANTAGE

14. The CFTC will provide the bulk of support for the implementation of the Strategic Plan. The CFTC is especially well positioned to work with Commonwealth developing countries in areas where trust, sensitivity and a good understanding of political, legal and administrative systems are important. It is a primary source of technical assistance and policy advice to support national development priorities. It also complements other national or donor-assisted strategic interventions to build national institutional capacity and human capabilities.

15. From a technical co-operation perspective, the CFTC has a number of specific attributes which contribute to its competitive advantage relative to other development agencies. These attributes, which are especially valued by LDCs and small states, include:

- An ability to provide high quality experts and advice through a range of operational modalities in public sector management.
- The inherent advantage of working as a trusted and impartial development partner in sensitive political and economic areas.
- The high proportion of CFTC assistance delivered through South-South knowledge transfer and technical co-operation.
- An ability to deploy technical assistance swiftly, avoid rigid and onerous conditionality and with a readiness to undertake small projects that larger organisations are generally reluctant to support.

16. However, there remains a need to seek continuous improvements in the administration and delivery of the CFTC programme to enhance quality and efficacy of technical assistance provided in specific areas. The Secretariat will strengthen the consultative framework which guides the dialogue between the Secretariat and CFTC Primary Contact Points and Points of

Contact in governments. It will revise the operational procedures used to identify, design, implement and evaluate CFTC- supported activities and will strengthen the criteria for project approval. Risk analysis procedures will also be strengthened.

17. Recent consultations with governments have confirmed the enduring relevance of the guiding principles set out in the CFTC Rethink Report.⁴ The Secretariat was urged to deepen, rather than broaden the CFTC programme of assistance and strengthen its support to LDCs and vulnerable small states. Member governments strongly supported the basic principle of ‘mutualism’, whereby all states contribute to the Fund according to their ability to pay and benefit from CFTC assistance in critical areas of need. While this mutualism is one of the strengths of the CFTC, it also requires the Fund to maintain the flexibility, in exceptional cases, to support activities, especially in small states, that may fall outside its areas of comparative advantage.

18. The MDGs, regional and national development priorities and agreed frameworks for action, such as PRSPs, the CDF or NEPAD, will provide the basis for CFTC interventions at the national, sub-regional and regional levels.

5. PROGRAMME FRAMEWORK

19. In the light of the above discussion, and consistent with a greater focus on improving performance and enhancing the development effectiveness of the CFTC programme, the framework for the CFTC component of the Plan has a number of important aspects:

- The Secretariat Mission Statement includes a strong focus on the key development issues of fundamental concern to all Commonwealth members.
- Longer-term goals which specifically address the enabling environment for development and sectoral priorities for pro-poor growth consistent with the Mission Statement.
- Programme objectives which define the expected outcomes or significant development results that will contribute to development.
- Programme strategies, which the Secretariat will use to achieve outcomes and development results.

20. Incorporated within the proposed programme structure is a logical hierarchy which links projects to programme objectives. Each project is designed using the logical framework tool and this enables a clear relationship to be established between the project outputs and its development results as articulated in the project objective. Development results achieved through projects are essential contributors to the delivery of outcomes at the programme level and over the course of the Plan period Programme results will, in combination and logical sequence, contribute to the overall goal statement.

⁴ Consultations with Points of Contact were held in September, October and November 2003 in the African, Pacific and Caribbean regions respectively. The final meeting in the series for the Asia region, scheduled to take place in early 2004, had to be deferred.

21. The Strategic Plan sets two long-term goals for the Secretariat that reflect the 2003 Commonwealth Aso Rock Declaration's emphasis on the promotion of democracy and development in ways that are mutually reinforcing:

Goal 1 To support member countries to prevent or resolve conflicts, strengthen democracy and the rule of law and achieve greater respect for human rights.

Goal 2 To support pro-poor policies for economic growth and sustainable development in member countries.

22. Goal 1 (in support of Peace and Democracy) will be achieved through 4 Programmes, three of which will have technical assistance components supported with CFTC funding – Programmes 2 (Democracy and Consensus Building), 3 (Rule of Law) and 4 (Human Rights). Through these Programmes, the CFTC will focus on creating an enabling environment in which economic and social development can flourish. Principal among the issues supported will be the strengthening of democratic systems and institutions and a stronger capacity to uphold the rule of law.

23. Under Goal 2, which specifically targets pro-poor growth and sustainable development, there will be 8 Programmes which CFTC will support:

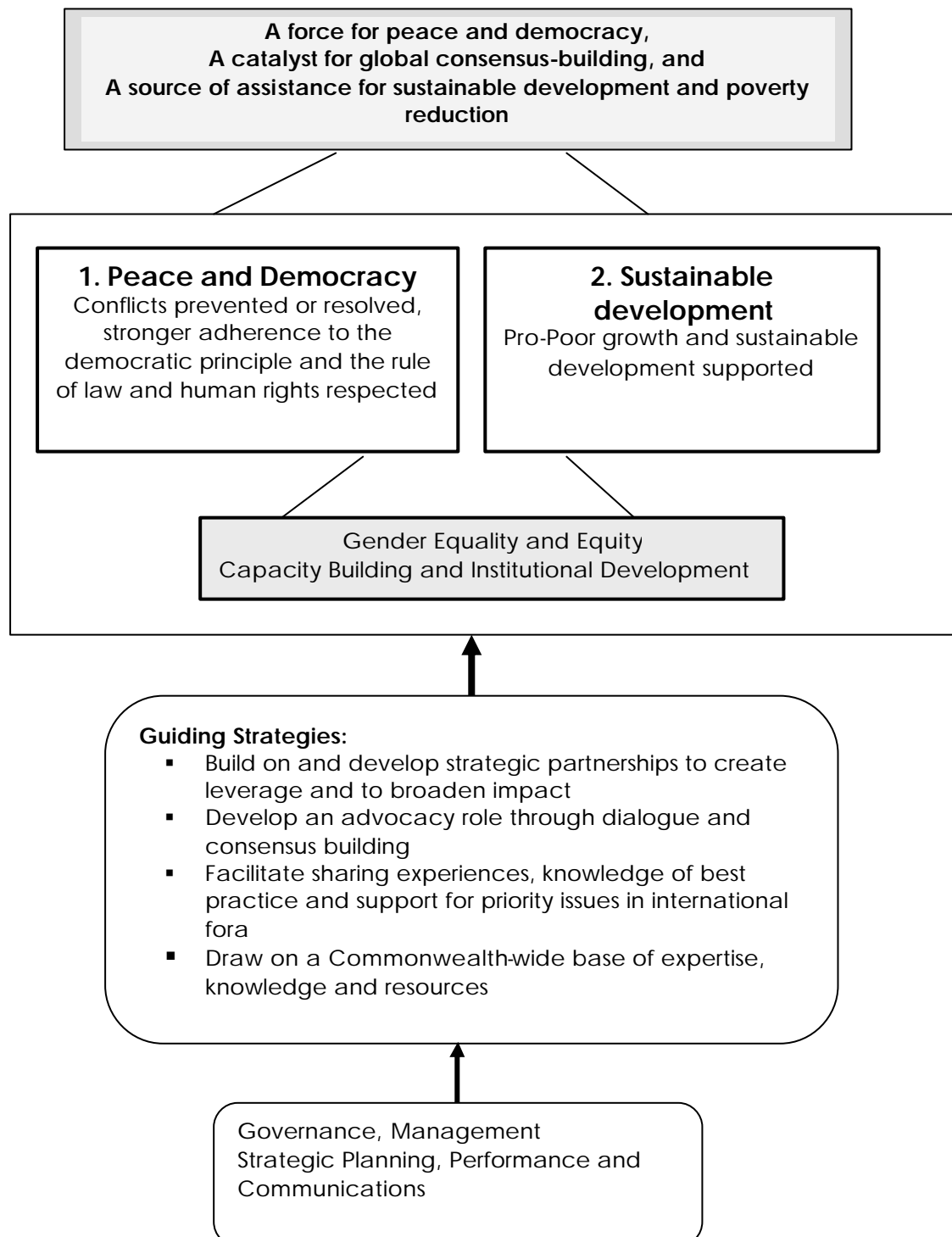
- 5 International Trade
- 6 Investment
- 7 Finance and Debt
- 8 Public Sector Development
- 9 Environmentally Sustainable Development
- 10 Small States
- 11 Education
- 12 Health

24. In addition, the CFTC will support two cross cutting programmes, Programme 14 (Gender Equality and Equity) and Programme 15 (Capacity Building and Institutional Development). Through these two Programmes there will be a broad emphasis on support to member governments to achieve gender equality and equity in political, social, legal and economic policy making areas and to strengthen the capacity of local, national and regional institutions for good governance and sustainable development. These Programmes will ensure that objectives relating to gender equality and capacity building will be incorporated within the other programmes through specific strategies and approaches.

25. The CFTC programme framework also includes a third cross-cutting programme through which the corporate and governance standards, priorities and results necessary for the Secretariat to achieve the development outcomes will be realised. Programme 16, Secretariat Governance, Management and Communications, will ensure the Commonwealth Secretariat is an effective, efficient, accountable, transparent and learning organisation capable of achieving its corporate goals. The Programme statements, objectives, strategies, priorities and expected results are provided in section 12.

26. The Programme framework is illustrated in **Chart 1**.

Chart 1: Commonwealth Secretariat Programme Framework 2004/05 – 2007/08



27. Within this programme framework, the specific areas of CFTC support will be as follows:

- trade capacity building, especially in the context of the Doha Round (Programmes 5 and 15) ;
- public sector reform and governance (Programmes 8 and 15);
- economic and financial management (Programmes 6,7, 8 and 15);
- enterprise and private sector development (Programmes 6 and 15);
- supporting institutional capacity building for the promotion of democracy, the rule of law and human rights (Programmes 2,3,4 and 15);
- support for gender mainstreaming (Programmes 14 and 15);
- the MDGs for health and education, targeting skills development in specific areas, including multi-sectoral responses to HIV/AIDS, promoting gender equity and youth empowerment, and building capacity in education and health systems (Programmes 11,12 and 15);
- specialist niche areas including:
 - Delimitation of maritime boundaries (Programme 6); and
 - Sustainable management of natural resources (Programme 9); and;
- Secretariat governance, planning and evaluation, corporate standards and quality assurance, and communicating greater awareness of the CFTC programme (Programme 16)

28. Where they exist, regional development priorities and agreed frameworks for action should provide the basis for CFTC interventions at the national, sub-regional and regional levels. Governments in the Africa consultative meeting called on the Secretariat to align CFTC assistance with the agreed objectives and priorities of NEPAD. They also called for greater focus on skills-development through in-country training programmes, and support for HIPC's in the region. Governments in the Caribbean region urged the Secretariat to give greater focus to assistance in the region in meeting the goals of the 1994 Barbados Programme of Action, in creating an enabling environment for the Caribbean Single Market Economy, and in supporting youth development and solutions to the problems of male underachievement. Governments in the South Pacific region requested the Secretariat to develop programmes in the region which assisted them to implement the 2002 WSSD Johannesburg Plan of Implementation, particularly in regard to energy use, waste and water management and adaptation to sea-level rise.

29. Smaller economies and small island states identified a number of issues that would continue to have a significant impact on their national development, including:

- Vulnerability to exogenous and endogenous shocks, e.g. natural disasters, volatile global economic conditions, and HIV/AIDS.
- Increased costs of meeting international legal commitments and standards to combat terrorism and money laundering, which is diverting resources from development programmes.
- High cost of provision of public services, with an inadequate human resources and skills base.

- Erosion of special and preferential access to markets, and the challenge of diversifying the economic base with limited resources.
- Reduced access to concessional funding and increased conditionality of aid at a time of acute fiscal difficulties and an increasing debt burden.

30. The Programme Statements in section 12 show how the CFTC will support specific development results in different Programmes of the Strategic Plan.

6. PERFORMANCE AND RESULTS

31. Improving performance reporting and managing for results are critical components that guide the Strategic Plan. The Secretariat has approached performance management principles in a comprehensive manner through the development of a Performance Information Framework (PIF). The CFTC funded elements of the Strategic Plan incorporate the basic building blocks of the PIF and over the next year the systems, procedures and reporting tools will be further developed to ensure that reporting on development results and on the performance of activities targeting development priorities is fully operational.

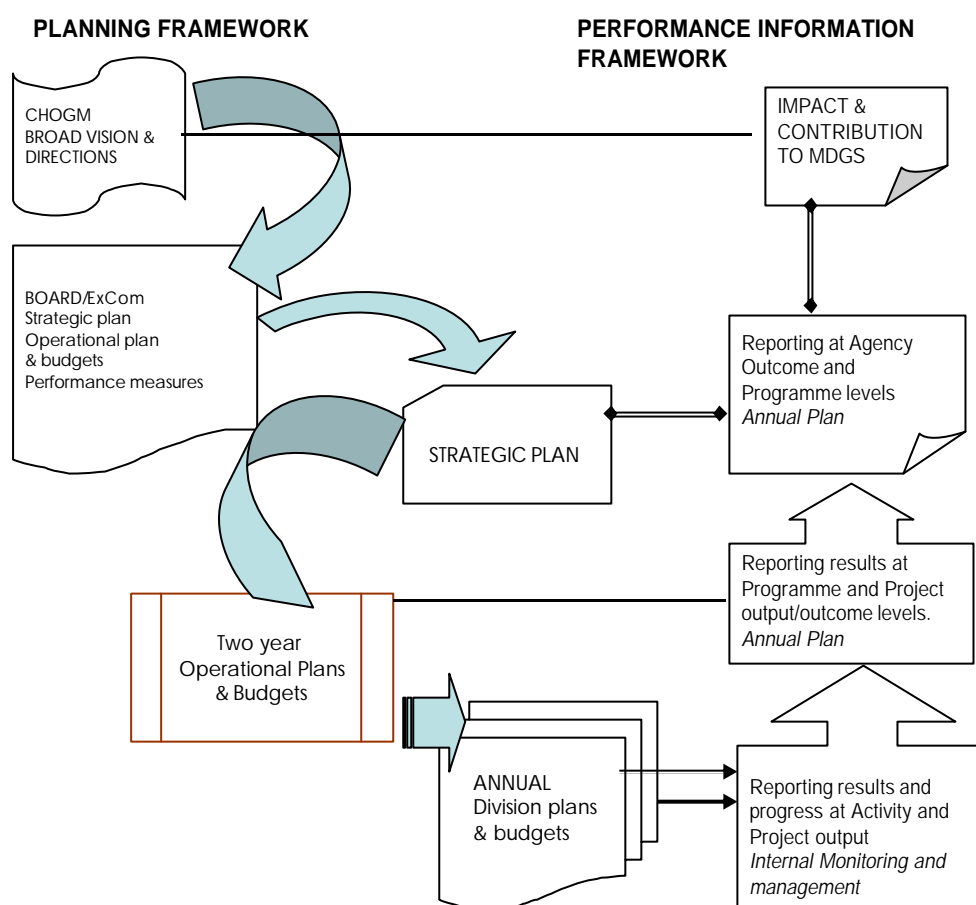
6.1 Components of the Performance Information Framework

32. The Performance Information Framework for the Plan (see section 6, *Draft Commonwealth Secretariat Strategic Plan for 2004/05-2007/08 (EC4/BG1(03/04)1 REVISED*)), has a number of elements which are thus reflected in the approach to reporting on CFTC outcomes:

- A direct relationship of planning cycles and decisions, so that decisions on resources and programme approaches are made in the context of the overall strategic directions of the Plan and the critical governance points for the Secretariat.
- Supporting value-for-money analysis and forward programme decision-making.
- There is a close correlation among the key structural aspects of the programme and information required to assess progress from project through to strategic programme level is embodied in the logical hierarchy of goal and objective statements.
- It adheres to a systematic base for project design, using results chain and logic such as that incorporated in the Logical Framework.
- It will provide a regime for monitoring and reporting on progress and for management interrogation of expenditure information with project/programme achievements and outcomes. Any projects/activities that have a weak development impact or are not sustainable will be re-designed or phased out.

33. The most critical aspect of the performance information management system relates to the ability of the Secretariat to provide timely, accurate and results-oriented reporting to meet external governance requirements, as well as detailed internal reports to inform and guide management decisions. The logic of the Plan structure supports these differential reporting schedules. This is illustrated in **Chart 2**.

Chart 2: Relationship of Performance Information Framework to Planning and Reporting Cycle



34. The PIF ensures there is a cohesive link from the Strategic Goals to the Programme outcomes which support these goals and that within each Programme there is a set of purpose statements for which results can be specified against project objectives. It therefore provides the framework for analysis and reporting progress towards development objectives embodied within the Plan and the means of assessing the efficacy of the guiding approaches that direct the way the organisation works. Using the Logframe as the basic project design tool, each Programme will consist of a number of Projects on which annual progress and performance information will be collected. This information will contribute to the review of Annual Plans and support refinement of the Operational Plan and Budget.

35. The small scale of most Secretariat interventions makes attribution of development impact extremely difficult. While the results statements developed for the Programmes can be divided into measures that relate to policy, process and resources (organisational quality) and those that relate to operational achievements (development impact), the focus of the Performance Information system will primarily be at the level of organisational quality and effectiveness. Project performance will be assessed through integrated monitoring and reporting of performance information relating to quality, process and financial efficiency; reporting on performance and results at the Programme level will rely to a great extent on

information collected less frequently and using indicators of lesser precision. In the case of Programme results, where variables are generally outside the Secretariat's control or require more in-depth impact assessment, assessment of performance and quality will be determined using more formal feed-back and evaluation methodologies.

6.2 Performance Measurement and Evaluation

36. Both performance measurement and evaluation will be required to ensure that all Secretariat resources, including those of the CFTC, are deployed effectively to meet the Strategic goals and Mission Statement. They are distinct but complementary ways of obtaining information for decisions. The PIF will be designed to provide timely and relevant information for reporting on progress, quality and efficiency relevant to managers' requirements to assess how well a Programme or Project is performing. A limited set of performance indicators for each objective will be used to assess progress towards that objective.⁵ These assessments about whether the expected development results are being achieved on schedule and within cost will form the basis for the development of an annual programme of evaluations. Questions about whether the results are being achieved and, if not, why, will be examined through formal Project monitoring and Programme evaluation processes. Evaluations will be planned more strategically to focus on critical areas of programmes, to feed into key programme decisions and to guide the directions and approaches used in forward programme development and project delivery.

7. STRATEGIC PARTNERSHIPS

37. In order to implement the Strategic Plan, the Secretariat will strengthen the CFTC's existing strategic partnerships and initiate others, based on the principle of mutual advantage. Such partnerships will take into consideration the global reach of membership of the Commonwealth and will thus also embrace relationships outside the Commonwealth itself. Already, these include the European Union, the African Development Bank, the Caribbean Investment Bank, La Francophonie and NEPAD. Relations with the NEPAD Secretariat will be strengthened and projects developed to support NEPAD programmes in areas where the Secretariat has a comparative advantage. Links with regional organisations such as the African Union, the Economic Community of West African States, and the Southern African Development Community will also be deepened.

8. BUILDING SUSTAINABLE CAPACITY

38. The CFTC technical co-operation programme has often been effective in providing direct, operational support and has been a reliable tool for 'getting the job done'. Challenges remain, however, and improved results and impact could be achieved by employing a greater mixture of modalities for technical assistance appropriate to the requirements of the Secretariat's programmes. Greater emphasis will be given to building capacity through the following means:

- Application of results based management by clearly identifying the development goals and priorities for which capacities are to be developed and the strategy to be employed.

⁵ See section I of *Draft Operational Plan and Budget for 2004/05-2005/06 (EC4/BG1(03/04)2)*.

- Increased involvement of stakeholders and beneficiaries in the design, management and evaluation of CFTC projects.
- Facilitate sharing of knowledge and best practice through greater use of ICTs, with a focus on e-governance and e-commerce.
- Utilising a range of modalities for the delivery of assistance, including facilitating intra-Commonwealth institutional collaboration through twinning and attachments, employing the expert-counterpart model (where appropriate) to the capacity of beneficiary institutions, in-country and in-region skills development programmes and greater use of local experts, where appropriate.
- Further streamlining procedures for accessing CFTC project assistance and training support across the Secretariat's programmes.

9. OPERATIONAL ISSUES

39. The Commonwealth Secretariat has developed close working relationships with strategic and operational ministries and institutions across the Commonwealth. These form a sound basis for direct and productive consultation in the development of programmes of assistance. The CFTC's systems and procedures will be improved during the Plan period to enhance the responsiveness and relevance of CFTC assistance in each Commonwealth region in the following ways:

- Information-sharing, communication and networking mechanisms will be strengthened between the Secretariat and the national CFTC Primary Contact Points (PCPs) and among PCPs.
- Encourage the location of the CFTC Primary Contact Point in a ministry with responsibility for determining the national development priorities.
- Strengthen communications between the PCP and the country's London High Commission so that the PCP can be more aware of development issues being discussed by the Executive Committee and the Board of Governors, and to ensure that the knowledge of national and regional development priorities residing in planning ministries is better communicated and discussed at the Secretariat governing body meetings. Regional representatives on the Executive Committee may wish to regularly seek the views of other regional members on development issues being considered by the Executive Committee.

10. FINANCIAL RESOURCES

40. Voluntary contributions to the CFTC will provide the bulk of funding for the Strategic Plan, supplemented by assessed contributions to the Commonwealth Secretariat budget (which will increase in line with inflation), and voluntary contributions to the CYP.

41. In their 2003 Aso Rock Declaration, Heads of Government commended the assistance provided by the CFTC to the development efforts of member countries and committed themselves to provide continued support for the Fund. They agreed that the resources

available to the Fund should be enhanced and on no account be permitted to decline below their current levels in real terms. It is assumed that this commitment will be maintained during the Plan period. Current CFTC receipts are £21 million.

42. Overall, governments report that the formula for the allocation of resources to the three areas set out in the CFTC Rethink should be maintained.⁶ The Secretariat was urged, however, to ensure that demand-led projects designed to build capacity adhere more strictly to the criteria set out in the manual of Procedures for Accessing Technical Assistance, which was reviewed and commended by governments in the consultative meetings. Governments expressed satisfaction with the allocation of CFTC assistance across the Commonwealth's regions, although it was suggested that the Secretariat should explore options for enhancing the programme of assistance to the South Pacific region.

43. Assistance to individual member countries will be guided by the Strategic Plan priorities and national development requirements. Decisions on what to support and in what manner will be made bearing mind the particular areas of expertise within the Secretariat, past experience in the area and the relative capacity of the CFTC to support specific and strategic needs for development. Criteria for support will be established within the agreed framework and through regular bilateral discussion these will be refined and adjusted during the Plan period. The ability to respond flexibly and quickly to changing needs will continue to be a defining characteristic of the CFTC. The country and regional focus of the CFTC will continue to be sharpened through regular dialogue.

44. The CFTC was asked to continue to make sufficient provision for contingency in future CFTC Plans of Expenditure (POE) to meet unforeseen development challenges over the Plan period at national, regional or global levels.

45. The Secretariat's two-year Operational Plan and Budget (2004/05-2005/06) provides the necessary operational and budgetary details. Throughout the Plan period, efforts will be made to seek additional efficiencies, where possible, in order to reduce administrative and operational costs, so that greater CFTC resources can be provided for direct programme expenditure in high priority areas.

11. GOVERNANCE AND MANAGEMENT

46. The Secretariat's current governance arrangements were put in place in line with the decisions of the 2002 CHOGM. The three strands of the Secretariat's work, developmental, political and youth, though separately funded and audited, were placed under the policy direction of a single Board of Governors and its Executive Committee. This change in the governance structure was intended to ensure a holistic approach to planning and implementation and the application of results based management to the Secretariat's work. The governance arrangements will remain essentially the same during the Plan period.

47. The Board of Governors, assisted by its Executive Committee, will oversee the implementation of the Strategic Plan and assess progress on the basis of regular performance reports by the Secretariat.

⁶ These areas are: strategic gap-filling and capacity building on a demand-led basis (45%); special programmes of assistance (40%) and technical support for policy development and advocacy (10%).

12. CFTC DEVELOPMENT RESULTS: PROGRAMME STATEMENTS

48. This Section provides Statements for each of the Programmes in the Strategic Plan for which CFTC resources will be directed. The Statements set out the context and rationale for each Programme, the developmental objective and the strategies which will guide work over the Plan period and list the anticipated results from this work. Performance indicators measuring progress towards these results and the quality of the programme are presented in the Operational Plan for 2004/05-2005/06.

49. Programme 1 (Good Offices for Peace) and Programme 13 (Young People), are not supported by CFTC funds and are therefore not included here. Programme 15 will be funded exclusively by CFTC. Most of the other Programmes will be supported by the CFTC but will also deliver results which will be supported by funding from the Secretariat's assessed budget. These results have been either deleted and referenced as 'not applicable' or, where funds are blended, annotated as partly or mainly supporting CFTC objectives. For an explanation of the deleted results please consult Annex 1 of the Strategic Plan; the relevant budget tables in the Operational Plan for 2004/05-2005/06 will show the level of blended funds for each Programme.

CFTC PROGRAMME STATEMENTS

GOAL 1: PEACE AND DEMOCRACY

2 Democracy and Consensus Building

Context and Rationale for strategic approach: In light of the re-affirmation by the 2003 CHOGM of the importance of the Commonwealth's commitment to democracy and consensus building, the CFTC programme will continue to give priority to building democracy in Commonwealth countries. It will do this through provision of democracy advisory services, strengthening the capacity of key democratic institutions to adhere to democratic principles in programme implementation, training on the rights, roles and responsibilities of governments and opposition and supporting media and community organisations to engage more effectively in democratic processes. At the forefront of our work will be support to integrate human rights and including women as equal representatives in democratic processes.

Objective: To strengthen democracy in Commonwealth member countries and promote consensus on key political issues

Strategies:

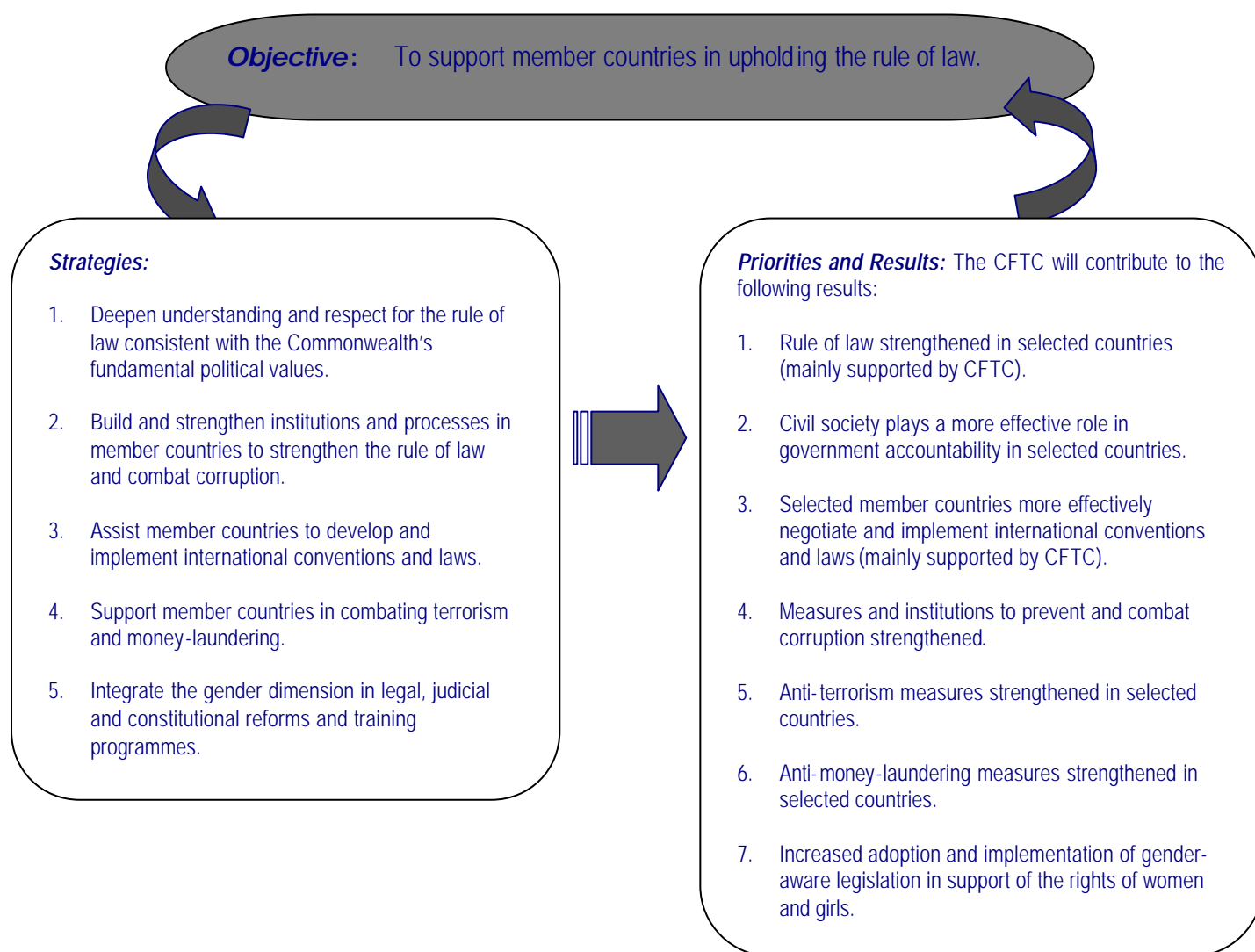
1. Promote understanding of democracy, adherence to the democratic principle and achievement of substance rather than form in democratic arrangements.
2. Not applicable.
3. Strengthen democratic processes and institutions and promote best practice, especially through assistance to election management bodies, political parties and civil society.
4. Promote women's effective participation, representation and leadership in decision-making institutions and processes.

Priorities and Results: The CFTC programme will support the following results:

1. A political culture that promotes democracy, transparency, accountability and economic development in member countries.
2. Not applicable
3. Not applicable.
4. Democratic processes and key institutions strengthened.
5. Not applicable.
6. At least 30% of decision-making positions at the highest levels in member countries occupied by women.
7. Women participate more effectively and influence political decision-making in member countries.

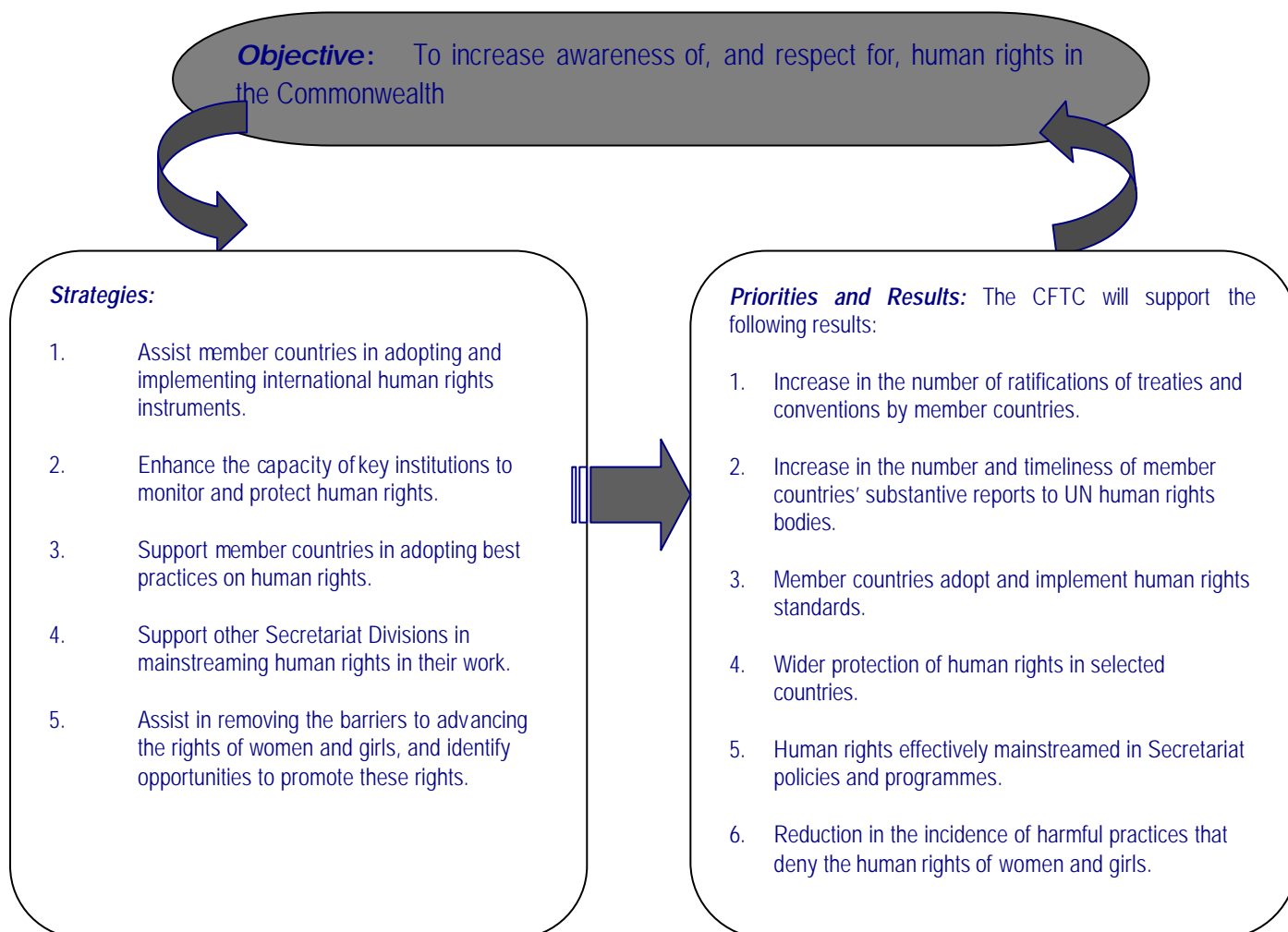
3 Rule of Law

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the CFTC will continue support the provision of technical assistance and policy advice on strengthening and further building capacity in judicial and legal processes and institutions. Particular attention will be given to supporting countries develop stronger legal frameworks and the operational capacity to address the threat to security and to social and financial stability from terrorism and money laundering.



4 Human Rights

Context and Rationale for strategic approach: In the light of the renewed commitment by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to promoting international human rights standards and providing technical assistance and policy advice on strengthening human rights institutions and promoting best practices on human rights across the Commonwealth.



5 International Trade

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue its work to assist countries, particularly LDCs and small states, in addressing the complexity of international trade negotiations and managing the impact of globalisation. Strengthening trade policy development and the capacity to participate actively in international fora is therefore a key strategic thrust of the programme and recognizes the vital link between trade and overall growth and development. At the national level the programme will also support trade promotion and facilitation and support members in coping with international rules and standards. Access to markets and market development is also a key aspect of export trade development on which the programme will focus.

Objective: To enhance the ability of developing member countries, especially small states and LDCs, to formulate, manage and implement trade policy at national, regional and multilateral levels and to benefit from these changes.

Strategies:

1. Enhance the capacity of member countries to negotiate the Doha development agenda.
2. Enhance the capacity of Commonwealth ACP members to negotiate development-oriented Economic Partnership Agreements (EPAs).
3. Strengthen trade policy capacity in regional organisations' secretariats and trade ministries, and support regional integration processes.
4. Improve export competitiveness through capacity building in promotion and facilitation.
5. Provide advice on international trade law and strengthen institutional frameworks addressing the legal aspects of international trade.
6. Promote the development and implementation of gender-aware national, regional and international trade policies.
7. Advise Ministries of Trade on gender-aware issues in trade policy development.

Priorities and Results: The CFTC will contribute to the following results:

1. Developing member countries able to participate more effectively in WTO negotiations (mainly CFTC funded).
2. ACP member countries participate more effectively in negotiating development oriented EPAs (mainly CFTC funded).
3. Trade policy capacity strengthened in selected regional organisations and integration processes supported in selected regions.
4. Better export and sector strategies, new markets developed and improved rate of compliance with international rules and standards.
5. Institutional and legal frameworks on legal aspects of international trade law for the implementation of fair and equitable international trade arrangements strengthened.
6. Benefits secured for women from trade liberalisation.

6 Investment

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to help create enabling conditions that will facilitate the mobilisation of investment resources and help to build the capacities needed in member states to produce competitive goods and services. In view of the continued paucity and skewed distribution of private investment in most member countries, CFTC funding will be used to develop and implement strategies and policies that contribute towards making member countries, especially small states and LDCs, more attractive destinations for FDI and inward investment. Through these means, the programme can contribute to job creation and facilitate more effective use of resources in priority areas of concern to governments in tackling poverty.

Objective: To enhance the ability of member countries, especially small states and LDCs, to attract investments and to assist in orienting these resources to developmentally beneficial purposes.

Strategies:

1. Support member countries in developing open and transparent investment regimes.
2. Support member countries in their negotiations with foreign investors.
3. Establish and support mechanisms which mobilise finance for member countries.
4. Support member countries to develop indigenous capital markets.
5. Support member countries to strengthen agricultural and enterprise competitiveness, particularly at the SME level.
6. Advise member countries on maritime boundary delimitation.
7. Support women entrepreneurs.

Priorities and Results: The CFTC will contribute to the following results:

1. Improved investment climate in member countries, especially small states and LDCs.
2. Cost-effective mechanisms established to attract long-term capital investment (mainly CFTC funded)
3. Robust indigenous capital markets operating in selected countries.
4. Better policies, strategies and stronger institutional capacities for SME development (mainly CFTC funded).
5. Selected countries better able to secure their maritime boundaries.
6. Increased number of successful women entrepreneurs and women owned businesses.

7 Finance and Debt

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, and the commitment by the international community to implement the Monterrey Consensus and achieve the MDGs, a priority for CFTC funding will be on advocacy for the mobilisation and disbursement of adequate financial resources to meet the MDGs. This programme will therefore focus on improved aid effectiveness in terms of encouraging higher donor volumes, better donor alignment behind country-owned poverty reduction strategies, improved delivery practices and stronger member country implementation capability. The CFTC will also continue to emphasise sustainable debt management through technical assistance and capacity building.

Objective: To improve the ability of member countries to mobilise financial resources and use them more effectively.

Strategies:

1. Advocacy on increasing the level and effectiveness of ODA especially for LDCs and small states.
2. Advocacy to enhance the voice of developing member countries in the governance of the IFIs.
3. Support the strengthened implementation of the HIPC initiative.
4. Enhance the capacity of member countries for sustainable debt management.
5. Monitor alignment of donor and IFI support behind country-owned PRSP processes.
6. Promote the implementation of gender responsive budgets.

Priorities and Results: The CFTC will contribute to the following results:

1. Commonwealth advocacy contributes to reducing the ODA shortfall in relation to the MDGs.
2. Developing countries play a more active role in the governance arrangements and decisions of the IFIs (mainly CFTC funded).
3. Commonwealth advocacy contributes to faster and deeper debt relief for Commonwealth HIPC countries and technical assistance contributes to more effective debt management in HIPC countries.
4. Policies, structures and systems to manage borrowings and debt in a sustainable manner developed in selected countries (mainly CFTC funded).
5. Increased understanding of the extent to which donor and IFI support is aligned with PRSPs.
6. Gender responsive budgeting adopted in selected countries.
7. PRSPs, SWAPs and other poverty reduction frameworks include a gender dimension in selected countries.

8 Public Sector Development

Context and Rationale for strategic approach: Governments have a fundamental responsibility for the development, security and wellbeing of their citizens. In the light of the renewed agreements made by member governments at the 2003 GHOGM, a major component of the CFTC fund will be used to support technical assistance for public sector reform. Policy advice, training and capacity building will form the key strategic approaches for strengthening public sector institutions and service delivery processes with the aim of assisting member countries move to stronger governance frameworks.

Objective: To build capacity and promote the efficiency and effectiveness of national and regional public sector institutions.

Strategies:

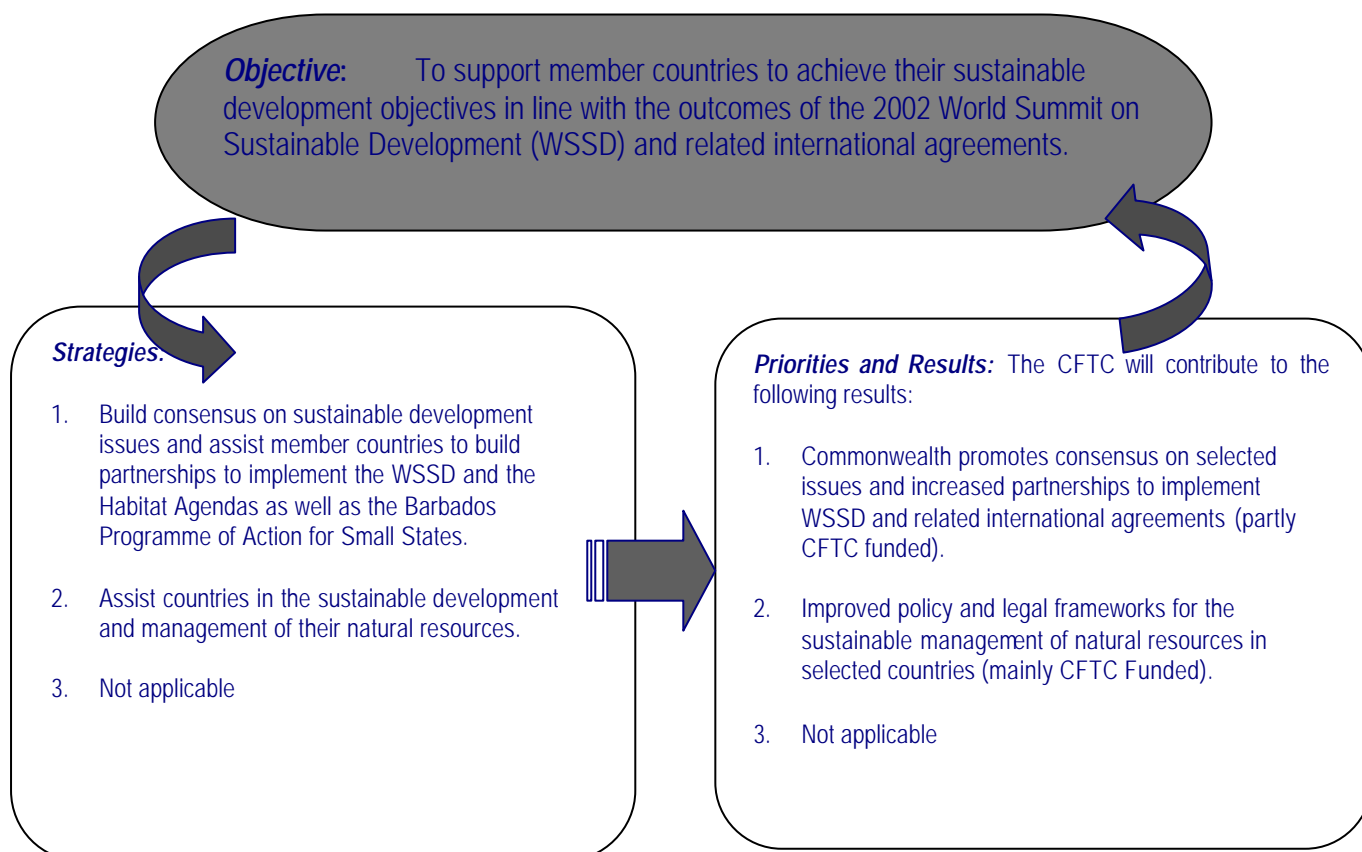
1. Support members in their development of policy, planning and operational capacity in public administrations, and in effective public sector leadership, budgeting and management.
2. Broker the use of best practice across Commonwealth public and private sectors.
3. Support institutional strengthening in national and regional training and development organisations.
4. Support and strengthen the development of effective oversight institutions which promote integrity and high professional standards and reduce corruption.
5. Strengthen private sector regulatory and governance regimes.
6. Develop and promote systems of information, access and participation which protect the public interest and maximise citizen engagement.
7. Develop national e-governance strategies and policy frameworks and disseminate best practice.

Priorities and Results: The CFTC will support all the following results:

1. Trained professional public services, capable of implementing programmes and providing efficient and effective services.
2. Capable and well-functioning public sector training institutions and professional public sector bodies and associations.
3. Robust, independent constitutional bodies which monitor the work of governments and public administrations, and act as effective avenues for citizen redress.
4. A predictable and transparent regulatory environment conducive to private sector development and good corporate governance.
5. A better informed civil society actively participating in the business of government and public administration.
6. E-governance strategies developed in selected countries.

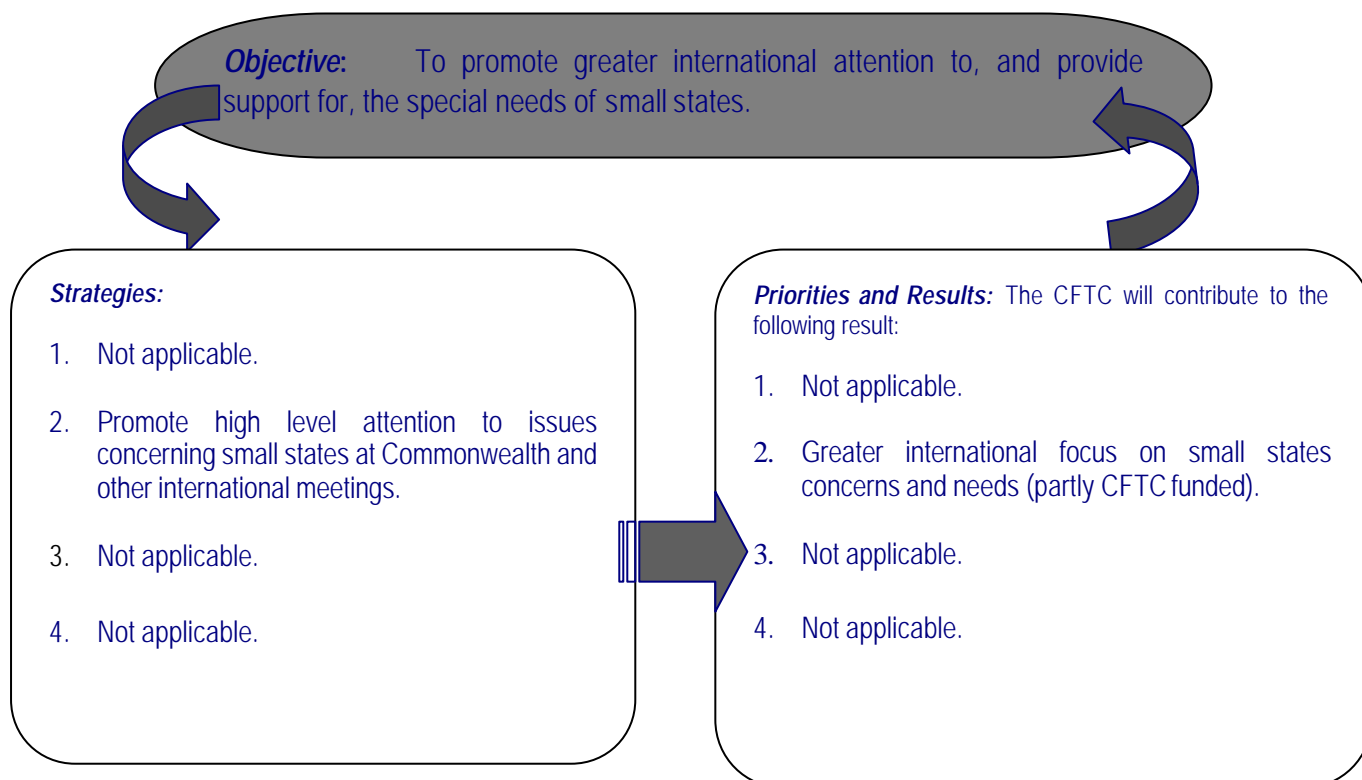
9 Environmentally Sustainable Development

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the CFTC fund will support consensus building on sustainable development issues, provide technical advice and support to member countries in international negotiations on sustainable development issues and assist in implementation of the 2003 WSSD outcomes and the 1994 Barbados Programme of Action for small states. The key developmental objective of this Programme is to promote and strengthen best practice in the sustainable management of natural resources.



10. Small States

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will ensure the concerns of small states continue to be placed at the forefront of international dialogues. The CFTC will be drawn on to support programmes in all sectors where there is a need for a special focus on small states. The level of resources directed to small states through the CFTC will be maintained as in previous years. A specific focus of this Programme will be to implement the framework for strengthening collaboration with partner organisations on small states issues as agreed at the 2003 MGSS.



11 Education

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM to attain the MDGs in respect of education, this programme will focus on two fundamental aspects of education for development: achieving good quality universal primary education and reducing gender disparity in access to primary and secondary education, particularly in LDCs and small states. To achieve this, CFTC support will be directed at a number of strategic levels - promoting education as a key priority in all Commonwealth agendas, facilitating matching of educational needs with the broader range of Commonwealth resources available and demonstrating and sharing best practices for wider replication. Drawing on the strength and diversity of experiences across the Commonwealth the Secretariat will act as a knowledge-based network in collaboration with the wide range of Commonwealth centres of excellence and expertise in education.

Objective: To improve the quality of Universal Primary Education (UPE) and Gender Equality in primary and secondary level education

Strategies:

1. Assist member countries to benefit from new policy approaches, strategic innovations, best practice and innovative tools which strengthen their ability to deliver quality education and gender parity in access.
2. Support member countries going through difficult circumstances (conflict, HIV/AIDS) to moving towards UPE.
3. Strengthen the capacity of member countries to manage recruitment and migration of teachers.
4. Integrate education dimensions into relevant Secretariat programmes.
5. Not applicable.

Priorities and Results: The CFTC will contribute to the following results:

1. Quality of UPE enhanced in selected member countries.
2. Strategies and policies in place to improve retention rates in primary education in selected countries.
3. Enhanced gender parity and equality in access to primary and secondary education in selected countries.
4. Selected member countries more effectively able to sustain education quality despite civil conflict, the impact of HIV/AIDS or migration of teachers.
5. Secretariat programmes incorporate an education dimension.
6. Not applicable.

Context and Rationale for strategic approach: At CGOGM 2003 member governments reaffirmed their commitment to attain the Millennium Development Goals in regard to health. The Secretariat will therefore continue to draw on the CFTC to support collaboration with its several partners to assist countries to develop the multi-sectoral response needed to meet this Goal and its Targets relating to maternal health, child mortality and HIV/AIDS. Maternal and child mortality rates are sensitive indicators of the level of development in a country and by depriving a country of skilled human resources HIV/AIDS directly threatens development progress. For this reason, the Secretariat will focus on these three areas as the core strategic thrust of our efforts in support of the MDG for health.

Objective: To strengthen health systems and programmes focusing on HIV/AIDS, maternal mortality and infant mortality.

Strategies:

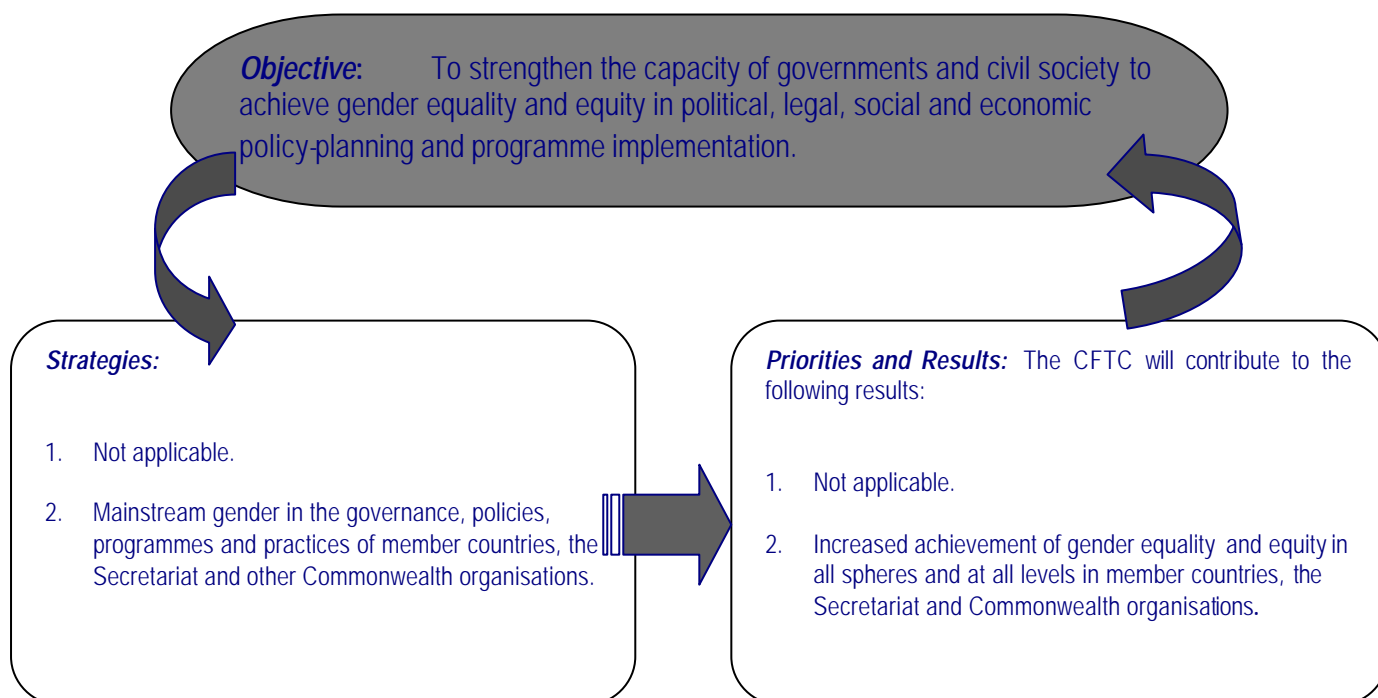
1. Deepen member countries' understanding of factors affecting maternal mortality and develop multi-sectoral strategies for the reduction of maternal mortality rates.
2. Provide advice and guidance to programme areas across the Secretariat to ensure a coordinated and effective response to the HIV/AIDS pandemic.
3. Support member countries to implement a multi-sectoral response to HIV/AIDS prevention, treatment, care and support including engagement of men in HIV/AIDS programmes.
4. Strengthen the capacity of member countries to manage migration of health workers.
5. Develop effective tools to assess the impact of HIV/AIDS on human resources in the health sector.
6. Not applicable.

Priorities and Results: The CFTC will contribute to the following results:

1. Programmes to reduce maternal mortality implemented in at least 3 member countries with high rates.
2. A multi-sectoral strategy to address HIV/AIDS incorporated in key programmes across the Secretariat.
3. At least a quarter of member countries implementing HIV/AIDS policies, plans and programmes through a multi-sectoral approach which incorporates gender and youth dimensions.
4. At least a quarter of member countries adopt improved systems and mechanisms for managing migration of health workers.
5. Countries better equipped to assess health human resource needs for replacement planning.
6. Not applicable

14 Gender Equality and Equity

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to give priority to the promotion of gender equality and equity in all developmental, economic and social programmes of the Secretariat. Believing that gender equality is necessary for sustainable developmental outcomes, the programme will also assist member countries to mainstream gender issues throughout their development strategies and plans and to give greater recognition to the role and rights of women in all their policy-making, development planning and programme implementation.



15 Capacity Building & Institutional Development

Context and Rationale for strategic approach: In common with the international community the Secretariat places strong emphasis on the development of local capacity as the key to poverty alleviation. A significant level of CFTC funding is, therefore, directed to strengthening the capacity of people, institutions and management practices in support of the development objectives of member countries. By deploying long-term experts in priority sectors who can provide training, advice and expertise the CFTC is assisting to build capacity and appropriate skills in key political, economic and social institutions. Through this programme CFTC resources are targeted at development activities in areas such as economic and financial management, strengthening the rule of law and in human skills development, particularly in new and emerging areas of demand.

Objective: To strengthen the capacity of local, national and regional institutions in areas critical to good governance and sustainable development through the placement of experts.

Strategies:

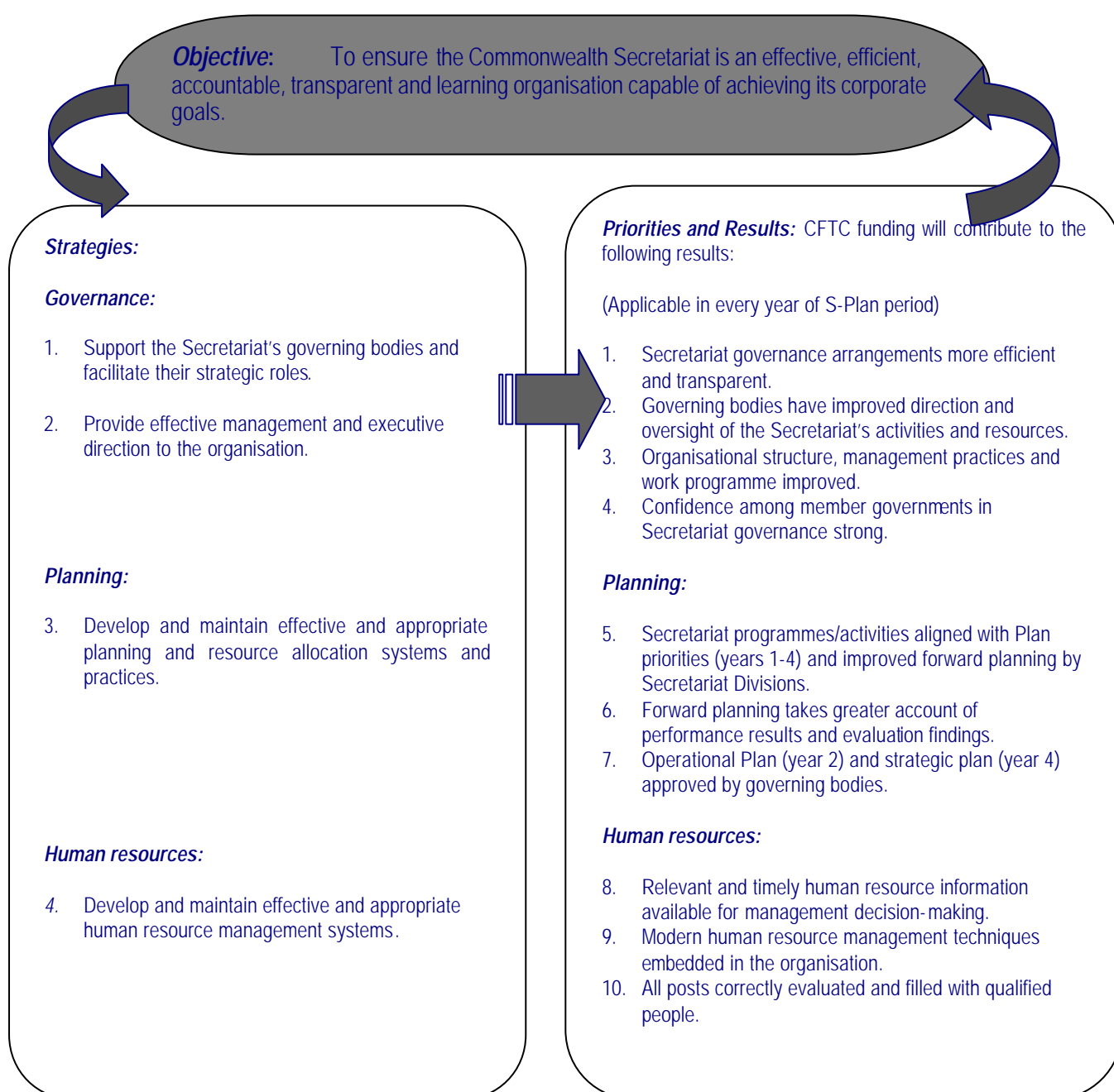
1. Assist member countries in developing and implementing sound policies, processes and systems in support of development priorities.
2. Develop and manage technical expertise and related capacity building activities in support of members' strategic development needs.
3. Ensure the requirements for critical expertise for capacity building and institutional strengthening in all Secretariat programmes are met effectively.
4. Transfer skills and expertise to fill strategic gaps in areas critical to national development processes.
5. Support member countries' development strategies through the Commonwealth Service Abroad Programme (CSAP).

Priorities and Results: The CFTC will contribute to the following results:

1. Public sector delivery is more efficient in critical service areas.
2. National development processes more effective and skills and knowledge incorporated more productively to meet development needs.
3. Key public sector institutions, regional bodies and non-state organisations more effective in supporting national development priorities.
4. National and community-level development processes in critical areas strengthened through the transfer of specialist skills and cutting edge knowledge.

16 Secretariat Governance, Management, Communications

Context and Rationale for strategic approach: In the light of the renewed agreements made by member governments at the 2003 CHOGM, the Secretariat will continue to implement the HLG reforms aimed at strengthening the governance framework and improving its management effectiveness and efficiency. The ability of the Secretariat to manage and deliver those Programmes aimed at addressing key development problems and concerns of Commonwealth members depends on the quality and effectiveness of the functional services provided under Programme 16. The focus will be on enhancing systems, procedures and practices across the organisation that reflect the high standards required of an international organisation. Immediate priority will be on enhancing the efficiency and transparency of financial management systems, implementing new arrangements for human resource recruitment and management, including equitable performance management practices, developing robust systems to support performance information and reporting on results, on streamlining communications and in developing innovative approaches to engage with civil society and the wider Commonwealth.



16. Secretariat Governance, Management, Communications Cont'd.

Objective: To ensure the Commonwealth Secretariat is an effective, efficient, accountable, transparent and learning organisation capable of achieving its corporate goals.

Strategies:

Evaluation:

5. Develop a performance information framework to support results based management.
6. Undertake an annual evaluation program which contributes to enhanced programme effectiveness and impact and to improved management efficiency.

Quality assurance:

7. Establish quality assurance and review management processes at all stages of the project cycle.

Information:

8. Develop and maintain a culture of information sharing and learning across the Secretariat.
9. Develop and maintain effective and appropriate information and communications systems.

Financial management:

10. Develop and maintain effective and appropriate financial management systems.
11. Necessary and sufficient funds held to meet reasonable expectations of forward commitments.
12. Working capital and fixed asset investment properly support the Secretariat's functions.

Priorities and Results: The CFTC will contribute to the following results:

Evaluation:

11. A performance information framework established as the basis of programme management (by year 2).
12. A transparent and efficient forward planning and expenditure management system linked to performance information developed and in use (by year 3).
13. Programmes designed, managed and reported on in terms of results and outcomes (by year 3).
14. Evaluation studies contribute to programme effectiveness and sustainability and guide forward programming decisions (by year 4).

Quality Assurance:

15. Quality assurance reporting supports programme planning and management decisions.
16. Accurate and timely information on development activities and processes available.

Information:

17. Improved management of information in support of programme quality and delivery, development effectiveness and sustainability.
18. Internal IT communications systems operate efficiently in support of business processes and organisational requirement.
19. New ICT systems are developed and delivered on time to support operational changes.

Financial Management:

20. Annual financial statements prepared and unqualified audit opinion issued within 6 months of the year end.
21. Regular management accounts prepared on a timely basis to facilitate strategic decision making.
22. Reliable and timely financial information and reports made available to governing bodies.
23. The Secretariat's financial ledger system (CODA) regarded as the authoritative source of financial information.
24. Contributions received from member countries recorded on a timely basis.
25. Strengthened Durban Guidelines are implemented.

Objective: To ensure the Commonwealth Secretariat is an effective, efficient, accountable, transparent and learning organisation capable of achieving its corporate goals.

Strategies:

Physical Establishment:

13. Effectively manage the Secretariat's physical assets and working environment.

Public Relations:

14. Promote greater global awareness of the work and value of the Commonwealth.

Partnerships:

15. Strengthen relations with other Commonwealth organisations and with civil society.

16. Develop strategic partnerships with other development organisations and networks.

Priorities and Results: The CFTC will contribute to the following results:

- 26. A long-range plan for the maintenance and refurbishment of property which supports decisions on future resources needs and financial flows (by Year 1).
- 27. A high-quality working environment maintained (ongoing).
- 28. Accurate and up-to-date physical assets register.
- 29. Prevention and loss mitigation strategies functioning smoothly (e.g. insurance, health and safety mechanisms).
- 30. Strategies in place to reduce the Secretariat's environmental 'footprint' (waste reduction/recycling, energy efficiency).
- 31. Effective logistical support for Secretariat operations and meetings.

Public Relations

- 32. A greater proportion of Commonwealth and non-Commonwealth citizens have a basic knowledge of what the Commonwealth is and what it does.
- 33. A greater proportion of school and college students, from Commonwealth and non-Commonwealth countries, have a basic knowledge of what the Commonwealth is and what it does.
- 34. The Commonwealth is more frequently and more positively mentioned in media outlets.
- 35. Member governments encouraged to promote the benefits of the association more energetically within their countries.
- 36. Hits on www.thecommonwealth.org show healthy growth year on year.

Partnerships:

- 37. Increased consultation and collaboration among Commonwealth intergovernmental organisations and other bodies (years 1-4).
- 38. Greater space for CSOs to contribute to Commonwealth intergovernmental processes (years 1-4).
- 39. Additional extra-budgetary resources mobilised (years 1-4).
- 40. Existing partnerships strengthened and new partnerships established with other organizations.