



United Nations in Russia

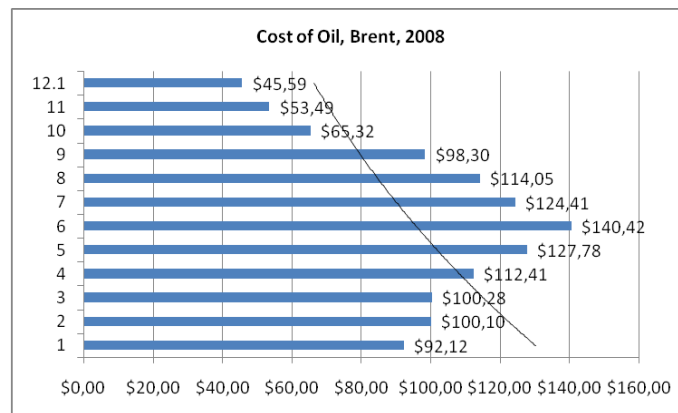
**Resident Coordinator's
Annual Report 2008 and Workplan 2009**
Key aspects

- A** Context for UN operations
- B** Progress in UN reform
- C** Highlights of 2008 joint efforts
- D** Key Aspects of the 2009 Workplan
- E** Recommendations

Context for UN operations

After a period of significant **economic** growth, Russia is demonstrating a slowdown in the context of the global financial crisis that highlights some of its structural weaknesses and continued dependence on oil sector that is experiencing a significant drop. The Government has designed the 2009-2011 budget based on the forecast that the cost of oil per barrel will be USD 50 in 2009, USD 55 in 2010 and USD 60 in 2011¹. The intensification of the crisis caused the reverse of investment flows (October, 2008 USD 50 bln net, Ministry of Finance). While the substantial financial reserves have protected Russia and helped limit the impact of the crisis, a recession is expected in 2009 possibly leading to budget deficit and potential scale down of socio-economic programmes implemented through National priority projects.

Following a decade of growth, the global economic crisis has affected Russia, posing new challenges to its socio-economic strategy

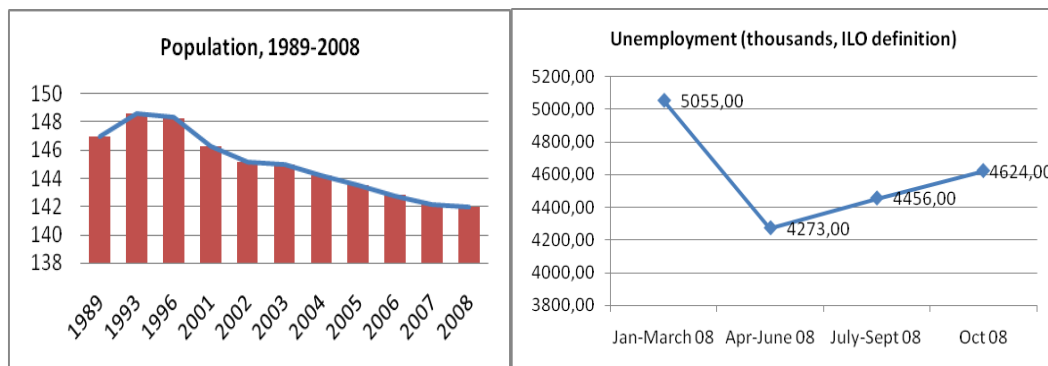


Source: Finam.ru

Russia signs the UN Convention on rights of persons with disabilities

One of the main acute social issues remains the decline of general population. At the same time the economic slowdown has not yet fully reached the labour market, but this is expected to change, since the market is adjusting to the demands of the crisis, thus the number of unemployed is expected to increase. Finally, Russia signed the UN Convention on rights of persons with disabilities; however, its ratification is expected to be an uphill task.

¹ Minister of Finance, plenary session at the Federation Council, 13.11.2008. However in January 2009 the Ministry of Finance was requested to recalculate the Federal budget 2009 based on the annual average cost of oil USD 41,00 for barrel



Source: Federal Statistics Service

The Russian Government continues implementation of National priority projects, however social expenditures could be significantly decreased in 2009

Ten UN agencies establishing a UN House in December 2008

Key **political** developments include the start of the presidency of Dmitry Medvedev who won the elections held in March 2008 with 70% of the vote. Vladimir Putin assumed the responsibilities of the Prime Minister. The continuity of both domestic and foreign policy has been stated with a special focus on social sector though the National priority projects and a pointed stress on Russia's role as a major international player and an emerging donor.

The five-day military conflict in August 2008 when Russia decided to intervene in South Ossetia outlined the new super power role Russia intends to have recognized in the international arena. The following recognition of independence of republics of Abkhazia and South Ossetia was an additional demonstration of a more assertive role of Russia in international politics. The international fallout from the conflict has been contained.

In this context, the UN assistance remains relevant and is aimed at providing support to national and sub-national socio-economic initiatives with special focus on regional development.

Progress in UN reform

In 2008 the RC Office continued aligning the UN Russia joint efforts towards the national development plans through flexible coordination mechanisms such as regular thematic and working groups, as well as an ad hoc group on the demographic issues – all reflecting UN's attention to areas which the Government sees among its priorities.

On the UN operational front following serious negotiations process, the UN in Russia managed to finalize the optimum space distribution and costing arrangements for the new – and unprecedented - UN House in Moscow that will accommodate ten UN agencies starting December 2008.

Highlights of 2008 joint efforts

<i>Following up on MD / MDG+ agenda for Russia</i>		
Planned Activity	Focus / Theme	National Partners
<i>Supporting national</i>	Finalization and public launch with further federal/regional follow-up of	Ministry of Health and Social

<i>efforts to address the demographic crisis</i>	the UN Joint Publication presenting analysis of synergetic policy measures, linking healthcare, socio-economic, demographic and sociological aspects of the problem [Ad-hoc WG on demography]	Development; Federal Statistics Service, federal/regional authorities
<i>Supporting national efforts to ensure sustainable and equitable development of the Russian Arctic</i>	Series of events and a follow-up UN publication on climate change impact on public health in the Russian Arctic. Advocacy contributing to enhanced understanding of the development opportunities and risks associated with the exploration of the Arctic, as well as promoting responsible private investment in the region. [WG on the Arctic]	Ministry of Foreign Affairs. Environment; Administrations of the Arctic regions; Arctic Council; Norwegian Embassy
<i>Supporting national efforts on ratification and implementation of the UN Convention on the rights of persons with disabilities</i>	Supporting multi-stakeholder dialogue to sensitize decision makers and the public on the implications the ratification of Convention. A series of outreach events were held, and an advocacy publication linking the approach of the Convention with the situation in Russia has been initiated and is due in early 2009. [WG on rights of disabled]	Ministries of Health and Social Development, Information Technologies, Education, MFA, civil society organizations, etc.

Key Aspects of the 2009 Workplan

In 2009, the Resident Coordinator will continue to support all joint UN initiatives in the spirit of the Millennium Declaration and UNDG Action Plan on the Development Outcome of the 2005 World Summit, as well as facilitate internal coordination mechanisms, contributing to increased coherence and effectiveness of UNCT work. Emphasis will be put on UN joint efforts in areas of high relevance and added-value.

The bulk of such effort will be undertaken by the UN theme/working groups, to which the Office of the RC will provide on-demand support. Several key areas that require a follow-up on the 2008 initiatives will be the main focus of the RC work during the year. The “what” and “how” of this work is summarized below:

UN support to national efforts towards inclusive development at federal and regional level

WHAT? Joint efforts will focus on MD/MDG+ issues relevant for Russia, where several UN agencies can contribute, and where gaps exist in properly understanding, planning or implementing the necessary mix of short-term and long-term national policy measures.

HOW? In implementing the above activities, the UNCT will continue to rely on cross-

sectoral partnerships involving government, NGOs and media. Special attention will be paid in 2009 to regional scope of UN in Russia operations. The human-rights based approach will remain at the core of the UN's joint activities, thus also constituting an important topic for joint advocacy and communications.

Conscientious efforts will be dedicated to aligning UN in Russia operations in the spirit of UN Reform that will become even more relevant when the agencies are accommodated in the UN House.

Special focus will be on capacity building of the UN staff in Russia and staff awareness raising in the areas of HIV/AIDS (UN Cares), human rights based approach and communications for development.

The table reflects the general directions of UN in Russia joint efforts in 2009, however it is not limited to the indicated areas only

<i>Following up on MD / MDG+ agenda for Russia</i>		
Planned Activity	Focus / Theme	National Partners
<i>Support to national efforts towards promotion of <u>human development</u> in Russia through inclusion</i>	In the context of the UN Convention on rights of persons with disabilities, the UN in Russia will present an analytical publication focusing on the Convention, Russian legislation and international experience on situation of disabled in the area of education and employment. UN in Russia will continue sensitizing private companies of the Convention principles and their role in its implementation. [WG on rights of disabled]	Ministry of Health and Social Development; Federal Statistics Service, federal/regional authorities; State Duma; national expertise; civil society
<i>Supporting national efforts to ensure sustainable and equitable regional development</i>	Bringing climate change issues in the Russian Arctic for the discussion and advocacy at regional level through a series of seminar for regional journalists. Promoting responsible private investment in the regions. Joint efforts aimed at sustainable integration and recovery in North Ossetia-Alania [WG on the Arctic/TG on NC]	Ministry of Foreign Affairs. Administrations of the regions; Russian Union of Journalists
<i>Supporting national efforts to address the <u>demographic crisis</u></i>	UNCT will consider a possibility of looking at the demographic crisis in Russia through the lens of the situation of the elderly population, as well as migration linking the issue to the socio-economic policies in the area [Ad-hoc WG on demography]	Ministry of Health and Social Development; Federal Statistics Service, federal/regional authorities

Recommendations

One of the main remaining issues of concern for UNCT in Russia is the legal uncertainty of the status of the UN in Russia. The **umbrella agreement** between UN and the Russian Federation signed in 1993 and amended in 1995 has not been ratified to date. This jeopardizes the normal operation, makes application of certain privileges and immunities discretionary, leaves UN staff largely unprotected. While talks seem to have taken place with regard to a renewed agreement, a firm and official legal advice and support from HQ would be more than appreciated, so that the issue of UN's legal status in the country could be resolved without delay.

Another issue of concern is the **funding availability** for the UNCT cooperation. While the agencies were able to mobilize about half of the overall budget required for implementation of the UN in Russia joint activities, the schedule and overall amount of planned HQ allocation to SRC funds are still not known in advance for proper planning purposes, and in the end financial allocations remain barely sufficient to cover staffing costs.