



The present report is the third Annual Report of King Zollinger & Co. Advisory Services. It covers the period from January to December 2006. King Zollinger was founded as a General Partnership under Swiss law (Kollektivgesellschaft). The company is registered in the Commercial Register of the canton of Zurich and started business in August 2003.

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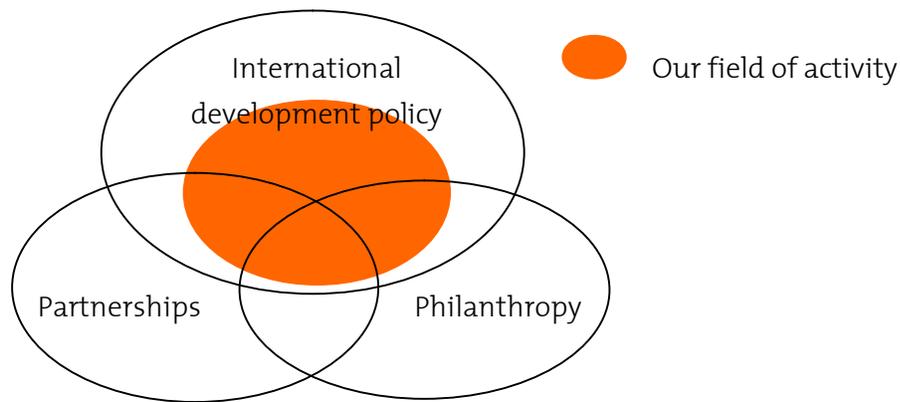
Paper: Munken Lynx, total chlorine free, natural white, made environmentally friendly

Texts: King Zollinger & Co. Advisory Services

Photo cover page: Living in a globalized world, Hanoi, Viet Nam, King Zollinger & Co. Advisory Services, 2006

Our vision We are convinced that poverty reduction and sustainable development can only be achieved collectively. Dialogue and innovative, goal-oriented development partnerships open up new dimensions and perspectives, leading to real change and well-being for all. The UN Millennium Development Goals (MDGs) form the basis of our work and serve as the framework for our commitment.

Our field of activity Based in Zurich, Switzerland, King Zollinger specializes in development and aid policy advice as well as implementation support to international development agencies. We also apply our specialist knowledge and practical experience of development cooperation to the fields of multi-stakeholder partnerships and philanthropy.



Our clients Our clients are government development agencies, multi-donor networks, United Nations organizations, and non-governmental organizations (NGOs). With many of them we enjoy long-term relationships. In 2006, they included: the UK Department for International Development (DFID), the Multilateral Organisations Performance Assessment Network (MOPAN), the Swiss Agency for Development and Cooperation (SDC), the United Nations (UN), the United Nations Population Fund (UNFPA), and the Swiss Committee for UNICEF.

Our services In 2006, our consulting services ranged from policy formulation, strategic institutional positioning, multilateral monitoring, external reviews, process facilitation, conceptualization and moderation of conferences, workshops and trainings,

research and report writing. As guest speakers, we also shared our thoughts and knowledge with interested audiences. Non-confidential project outputs such as reports, papers and presentations are available on our company website at www.kingzollinger.ch.

Projects

Implementing United Nations reform at country level

In the context of the ongoing UN reforms - and particularly the November 2006 High-level Panel Report on UN System-wide Coherence in the Areas of Development, Humanitarian Assistance, and the Environment - King Zollinger was asked by the United Nations to help advance the One UN Initiative in Viet Nam that aims to enhance the coherence, effectiveness and efficiency of UN operational activities in that country. More specifically, in connection with preparations for establishing a unified UN Budget, we analysed the various funding modalities of the UN organizations in Viet Nam and conducted interviews with donors as to their interest in and capability of re-programming and providing additional funds in support of the One UN Initiative. Apart from their immediate importance for moving ahead in Viet Nam, our findings and process methodology can serve as a useful input into similar exercises in other parts of the world.

Capitalizing on experiences in integrating human rights into development

In 2006, SDC published its new Human Rights Policy, which adopts a human rights-based approach to development as a strategic orientation. SDC asked King Zollinger to help facilitate the implementation of this Policy by organizing a capitalization conference for its staff and close partner organizations. In September 2006, over 80 participants from all over the globe came together in Thun, Switzerland, to mutually learn from their manifold experiences in integrating human rights into development and applying a human rights-based approach. King Zollinger helped SDC develop a vision and a concept for the conference, manage the preparatory process, consult various stakeholders, design the conference methodology and programme, coordinate the event, and finalize the conference report, including recommendations for implementing the new Human Rights Policy.

“...I would like to thank all of you for a fantastic three days of discussion, deliberation and sharing... I have already convinced our organisation that we have to operate more from a human rights paradigm... So you can see the significant impact the workshop has had on me!”
(Participant from South Africa)

“...It was a very exciting and educative time. Just this week, I had a meeting with our advocacy partners in Zambia and the rights-based approach to child programming was emphasized... Really, the SDC conference in Thun was a very rewarding process... Thank you very much.”
(Participant from Zambia)

Monitoring multilateral effectiveness at country level

For the third time since 2004, King Zollinger was asked by the Multilateral Organisations Performance Assessment Network (MOPAN) to support their annual multi-donor opinion survey of the partnership behaviour of multilateral organizations vis-à-vis national stakeholders on the one hand and other international development organizations on the other. The focus of the survey on multilateral contributions to policy dialogue, advocacy, capacity development, alignment, information sharing, inter-agency coordination and harmonization at country level reflects the current emphasis of the international community on the quality and effectiveness of aid. As in earlier years, we managed the hotline for MOPAN country teams, wrote the Synthesis Report, and suggested improvements to the Survey methodology.

The Synthesis Reports are shared and discussed with the surveyed organizations. Moreover, they are used by MOPAN member governments¹ for their own accountability on multilateral financing, to strengthen their participation in the governance of the surveyed organizations, and to contribute to the wider debates on aid effectiveness.

“...Many thanks for your work on the Synthesis Report - like others I think it's in good shape... For me the report presently does two important things. It is faithful, as far as I can tell, to the evidence in the questionnaires and country reports - this is critical -and it presents the information clearly persuasively - this is important for impact... Congratulations on producing a clear and professional piece of work.” (DFID)

Reviewing strategic partnerships at country level

In Viet Nam, the UK Department for International Development (DFID) has committed substantial non-earmarked funds for the work of UNDP in the areas of governance, social and economic transition, environment, and emerging national priorities in the period August 2004 to December 2008. At the beginning of 2006, DFID asked King Zollinger to undertake a review of the first year of the Strategic Partnership Initiative, and to make recommendations as to how implementation might be strengthened during year two. Work included interviewing key stakeholders within and outside UNDP

¹ Austria, Canada, Denmark, Finland, France, the Netherlands, Norway, Sweden, Switzerland, and the United Kingdom.

and DFID, organizing a workshop towards the end of the mission to discuss key findings, and producing a final report, the recommendations of which subsequently fed into the second joint DFID/UNDP Annual Review.

Developing a local MDG 8 strategy

As part of Switzerland's contribution to achieving the Millennium Development Goals, SDC, in collaboration with the Federal Office for Spatial Development (ARE), asked us to explore the potential for closer involvement of Swiss cantons and communities in ongoing efforts. Based on interviews with representatives of selected Swiss cantons and communities, we suggested looking into the possibility of creating and implementing a local MDG 8 strategy that, in addition, would help strengthen existing local sustainable development (local Agenda 21) programmes. A discussion paper drafted by King Zollinger serves as the starting point for an in-depth dialogue with local government representatives at a workshop scheduled for 2007. The project is ongoing.

Establishing a foundation to support the UN Millennium Development Goals

At the end of 2005, a group of individuals asked us to conceptualize their idea to support the work of the United Nations and at the same time strengthen the humanitarian tradition of their home town. In particular, King Zollinger conducted a needs assessment that resulted in a shortlist of proposals for the future role of a new foundation in support of the MDGs. Using our Swiss and international networks, we contacted a number of key persons to test these ideas, while at the same time assuring the anonymity of our client. Based on a very positive response, King Zollinger then helped to develop a vision for the foundation and formulate a fully-fledged concept. The foundation was established at the end of 2006 and will become operational in 2007 with King Zollinger continuing to provide conceptual and strategic development policy advice.

Partnering with business to save women's lives

In 2005, the UN Population Fund (UNFPA) Office in Geneva launched an initiative to join hands with Swiss-based business to save women's lives. In 2006, King Zollinger continued to provide advice to the initiative in terms of refining and elaborating the outreach focus, strategies and tools. We also conducted a lessons-learned exercise, contributed and formulated ideas, carried out research, established contacts with potential partners, and organized exploratory meetings. The Swiss Private Sector Initiative – apart from showing concrete and promising partnership opportunities – is helping UNFPA to learn what partnership-building with the private sector actually

means in practice, including implications for the Fund's institutional set-up and functioning. The project is ongoing.

Combating Child Trafficking

In 2006, the attention given to children and youth in international and Swiss development policy and cooperation remained a special focus of our work. In particular, we were asked by the Swiss Committee for UNICEF to help elaborate a discussion paper on the extent of the problem of child trafficking in Switzerland and at the global level, including a number of recommendations for action at the domestic and international levels making child trafficking a higher priority. More specifically, King Zollinger was asked to research, analyse and include in the paper key inter-governmental dimensions, including international obligations, of fighting the trafficking of children.

Formulating development policies and strategies

In 2006, different divisions of the Swiss Agency for Development and Cooperation (SDC) asked us to help formulate three specific organizational strategies: one on its interaction and collaboration with the major UN funds and programmes; another on disaster risk reduction; and a third on the role of "international Geneva" for Swiss development cooperation. Such strategy documents are expected to give guidance to SDC staff at headquarters and at the country-level as well as their close partner organizations. The different projects are ongoing.

Training and moderation

On several occasions during 2006, King Zollinger was again invited to devise and/or moderate trainings, workshops and other events on topics related to international development and the United Nations. As in earlier years, we were asked to facilitate the mid-term review and annual programme planning processes of the SDC United Nations Development Division. King Zollinger also further developed and moderated for the second time SDC staff training in the role and functioning of the UN. In addition, we helped design and moderate an inter-departmental seminar on Swiss official relationships with UNESCO. Towards the end of the year, King Zollinger was represented on the oikos Winter School faculty at the University of St. Gallen. Currently, we are designing a two-day seminar on sustainability and globalization as part of a University of Berne certificate course on sustainable development (26/27 June 2007).

Management The two founding partners Alison King and Urs Zollinger constitute the management of King Zollinger. Clients rely on both partners to provide new thinking and help find solutions. Other development experts were subcontracted for selected activities in 2006, leading to an expansion of our capacity, knowledge base and competences.



Alison King obtained her Master's degree in Political Science (international relations) from the University of St. Gallen, Switzerland, in 1992. She has extensive knowledge of international development policy and of the international development system from her work with the UN system in India and the UN Development

Group Office in New York, with the UN Development Division of SDC, and as an adviser to a number of international and Swiss development organizations. Prior to working in development, Alison was a policy and legal adviser for the Swiss Refugee Council. She has excellent networking, coordination and writing skills.

"This is great Alison, really a tangible interim result of our Swiss pilot! Have shared with NY and will keep you posted on developments our side. Again many thanks ... really appreciate our partnership!" (UNFPA Geneva)



Urs Zollinger obtained his Master's degree in Economic Sciences from the University of St. Gallen, Switzerland, in 1992. He has an in-depth understanding of the international development system and of today's concepts of sustainable development and globalization. Before founding King Zollinger, Urs worked with the UN

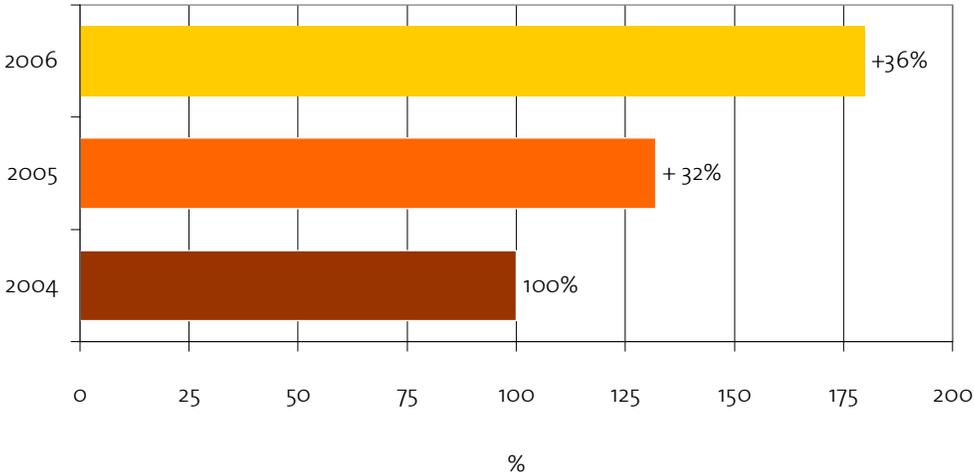
Development Division of SDC. Earlier, he served in the UNDP Evaluation Office in New York and gained operational work experience at the country-level with UNIDO in India. Before joining the international development community, Urs worked as brand manager for Unilever. He is an evaluation specialist, and an experienced trainer and moderator.

"I take great pleasure in warmly recommending Mr. Urs Zollinger... Mr. Zollinger knows the UN operational system intimately, has an excellent command of a variety of development related fields, is a perfect team-player and delivers perfectly on time... All members of my division thoroughly appreciate Mr. Zollinger's support, both in substance and in style." (SDC)

Facts and figures In 2006, King Zollinger increased its volume of advisory services (measured in days) by 36% compared to 2005. This is a slightly larger increase than in the previous year (2005 compared to 2004).

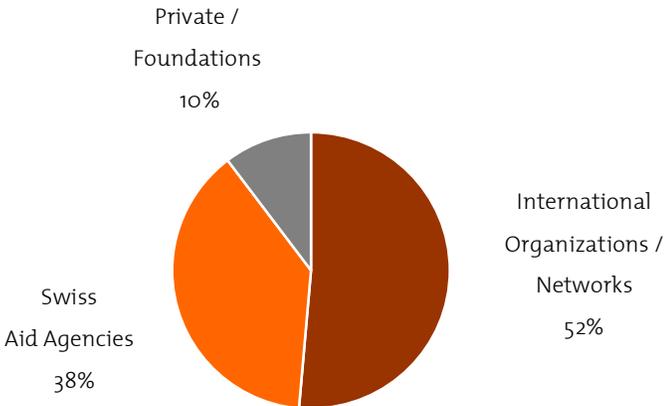
Volume of Advisory Services by Year

(2004 = 100%)



International organizations, including UN organizations and multi-donor networks, constituted the largest client group (52%), followed by the Swiss Government and Swiss NGOs (38%). The remaining services (10%) were provided to private clients and foundations.

Volume of Advisory Services by Type of Organization, 2006



Advisory council In strategic and ethical questions, the management of King Zollinger is able to draw upon the experience and advice of its Council. **Hans-C. Graf Sponeck** is former UN Resident Coordinator in Pakistan and India and former UN Humanitarian Coordinator in Iraq. Today, he is a renowned expert and author of books and articles on Iraq. **Wolfgang Wörnhard** is an independent management consultant and mediator. He holds several honorary positions including that of President of the Swiss National Committee for UNICEF. **François Rohner**, who joined the Council in 2006, is the former Head of the SDC United Nations Development Division. He is an outstanding expert on multilateral affairs and UN reforms.

Our corporate responsibility We are conscious of our own social and environmental responsibility and endeavour to manage our own business activities in a responsible way. Accordingly, when undertaking business trips, we purchase myclimate tickets (www.myclimate.org) to compensate the impact of our flights on the environment. We have also invested a part of our financial reserves in the responsAbility Global Microfinance Fund (www.responsability.ch), which invests in microfinance in developing countries. In addition, through Kiva (www.kiva.org), we loan money to micro-businesses in the developing world, currently to a woman micro-entrepreneur in Uganda.

Looking back and ahead 2006 was a year characterized by intense public debates on human security, on the quality and quantity of aid, on Africa, and on reforming the United Nations. Once again a demanding year for the international community; and a particularly critical year for sustaining the public's support of development and aid in the run-up to 2007, halfway through the self-imposed 15-year period for reaching the eight MDGs.

It is against this background that King Zollinger has continued to sharpen its focus on the UN Millennium Development Goals (MDGs), on international aid architecture and on aid effectiveness. We are convinced that this consolidation will help us to further strengthen our role as knowledge and service providers in all our fields of activity. In 2007, we look forward to supporting our clients in determining how foreign aid and other efforts can best support developing countries and their societies. In particular, we will closely follow - and hope to contribute to - the UN reform process. As many others, we remain convinced that the UN has a unique role to play in making our world "free from fear and want".