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Statement to the UNDP Executive Board Session

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Annual Report on Evaluation (7 June 2018)

Mr. President, distinguished members of the Board and colleagues, I am very pleased to present to you the 2017 Annual Report on Evaluation. This report summarizes the status of key strategic initiatives undertaken by the Independent Evaluation Office (IEO) and the progress achieved in our work. It also contains a brief analysis of the actions that UNDP' senior management has taken in light of recommendations from IEO. The document is available online and in hard copies, so I will not go into too much detail. Nevertheless, I would like to highlight a few key aspects of it.

As you all know, 2017 was a transition year for UNDP, with the appointment of a new Administrator, Achim Steiner, and the conclusion of the Strategic Plan for the period 2014-2017. IEO concluded its own working plan for the same period while consolidating some significant changes. Those included the new evaluation architecture and an improved approach to implementing evaluation to meet an expanded evaluation agenda.

Entrenching of the 2016 Evaluation Policy

2017 was the first full year of implementation of the new Evaluation Policy. In compliance with this policy, IEO has regularly reported to the UNDP Audit and Evaluation Advisory Committee, mandated to oversight our work. In turn, IEO has received valuable advisory services from the Evaluation Advisory Panel. Each year in May, this international group of experts convenes in New York to discuss with IEO team various aspects of the evaluation practice.

As part of the professionalization of the evaluation function, the IEO has drafted a Charter specifying the mandate, authority and accountability of the Office and how evaluations are carried out. The Charter will be finalized and available in the coming weeks.

Independent Evaluations

Conducting independent evaluations remains the essential purpose of the IEO. Last year, to support the preparation of UNDP's new Strategic Plan, the Office evaluated the organization's performance for the period 2014-2017 across its main areas of work at the global and regional level. This was one of the most comprehensive evaluations ever conducted by the IEO. Its conclusions and recommendations were

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presented to the Board last September. Today, I would only like to emphasize that UNDP is still well positioned to continue playing a leading role in assisting countries to achieve the sustainable development goals. However, the organization faces organizational challenges, including limitations in harnessing knowledge, solutions and expertise to improve its results and institutional effectiveness. The evaluation recommended that UNDP encourages a more risk and results-based budgeting and management approach, linking more effectively results to resources. We are very pleased by the Administrator's constructive response to the evaluation and to see that its recommendations were taken into consideration in the formulation of the 2018-2021 Strategic Plan.

At the country level, 2017 was the last year when only a portion of the country programmes nearing their conclusion were assessed by the IEO. We conducted 8 independent country programme evaluations (ICPEs): Bhutan, Chile, Republic of the Congo, Kuwait, Namibia, Philippines, Rwanda and Togo.

In the past, UNDP management and Board members have expressed interest in knowing whether the findings and recommendations of the corporate and country programme evaluations translated into actions that were actually put in place. Last year, IEO reviewed the follow-up actions planned in response to 62 evaluation reports. The analysis, presented in an addendum to the annual report, showed uneven implementation and gaps in the management response tracking and reporting system. There is limited information on what changes have been made to UNDP programmes and operational systems in response to IEO recommendations and whether they have led to improved performance and results.

The Independent Evaluation Office is doing its part to strengthen the management response action tracking system, both through revised guidance and through enhancements to the Evaluation Resource Centre. The Office intends also to work with UNDP management to consider other arrangements that can contribute to improve the system.

Advancing the evaluation culture

The Annual Evaluation Report also contains activities that the IEO carried out in 2017 to advance the global evaluation culture and practice. They include the National Evaluation Capacities Conference that took place in October in Istanbul, Turkey, and brought together more than 500 evaluators, government officials, parliamentarians and researchers from 110 countries. The event was co-hosted by the Regional Bureau for Europe and the CIS, and the Government of Turkey which was the main financial partner. In addition, further financial support was received from the Governments of Finland, Sweden, Norway and the Netherlands. Over the years, this initiative has provided a unique space to exchange experiences and learn. It has also served as a forum for discussing the methodologies and evaluation capacities needed in the evolving development context. These have become critical issues considering the complexity of the sustainable development goals (SDGs) and the requirement for countries to assess and report on their progress towards the SDGs.

IEO is also in the process of developing a diagnostic tool to help countries assess their evaluation systems. This tool can be used by entities at every level of government to determine the strengths and weaknesses of their evaluation systems and how to improve them.

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The Office also continued its support to the United Nations Evaluation Group (UNEG), a voluntary network of 48 evaluation units in the UN system. In addition to hosting the UNEG Secretariat, I served as UNEG Vice-Chair, and have been working closely with the UN Secretariat to achieve greater cohesiveness of the evaluation function across the UN system. In light of the Board Approved Evaluation Plan for IEO, we have scaled back our financial support to UNEG this year, recognising the financial implications of our broad mandate.

Investment in evaluation

Last year, UNDP spent \$21.73 million on evaluation, representing 0.48 per cent of its core and non-core funding. The budget represented an increase of 1,8 million compared to 2016, though a similar percentage share of UNDPs budget.

IEO received an allocation of \$9 million, representing 0.2 per cent of overall core and non-core funds, which meets financial commitments under the evaluation policy. Headquarters and regional bureaus had a budget of \$2.17 million for evaluation while country offices were assigned \$10.56 million.

UNDP country offices, Regional Bureaus and Headquarters completed 315 evaluations in 2017, which represented an increase in the number of decentralized evaluations. This is only 53% of the 562 evaluations planned during the year. Implementing agencies tend to plan optimistically from the start of the year and then revise plans towards the end of the year as delays and cancellation of evaluations force plan adjustments. While some of those adjustments might be justified, plans need to be more realistic. Moreover, the procedure and justifications for such changes must be clarified and oversight reinforced to ensure that evaluation commitments are met.

The IEO continues to quality assess decentralised evaluations. To an extent quality has remained stable between 2016 and 2017 with 73% of evaluations rated satisfactory or moderately satisfactory and 27% unsatisfactory, with some variance across regions and evaluation types.

To strengthen the evaluation function at decentralized level, IEO cooperated closely with BPPS and regional service centres to hold regional training and feedback workshops. Monitoring and evaluation focal points, and senior office managers from 121 country offices participated in these activities. IEO has also completed a revision of the decentralised evaluation guidelines, which we expect to launch this coming September. This was made possible through generous support from the Swiss Agency for Development and Cooperation.

Restructuring of the Office

As IEO moved towards full coverage of countries whose programme cycle is close to an end, the Office advanced its restructuring and the recruitment of new staff. The Office is now formally organised in four sections namely country programme evaluations; corporate evaluations; evaluation capacity development; and operations. The IEO now has 29 staff, 21 of which are international evaluation professionals all whilst ensuring full gender parity and regional diversity.

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Moving forward

At the end of 2017, this Board approved IEO's evaluation plan for 2018-2021. The plan establishes an envelope of \$42.1 million over the four-year period, so it provides an annual budget of approximately \$10.5 million per year. Nevertheless, the plan will be adjusted according to the UNDP programme budget each year, complying with the Evaluation Policy target of 0.2% of the funds.

The IEO has a quite large agenda ahead that includes 15 evaluations of country programmes this year and 39 in 2019. We have undertaken the evaluation of UNDP inter-agency pooled financing and operational services, and the evaluation of UNDP support to least developed countries for poverty reduction. They should be presented to the Board in September 2018 and January 2019, respectively.

To close, I would like to ensure the Board that the IEO will do its utmost to continue providing unbiased assessment of UNDP approaches and achievements, as well as additional evaluation guidance so the organization enhances its comparative strengths and valued added as a development partner.

I would also like to thank the UNDP Administrator, senior management, the Board and the member states for the importance that they place on our work and constant support.

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