



**Statements to the UNDP Executive Board Session**  
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**Joint Management Response to the Evaluation Policy Review**  
**and the IEO Annual Report on Evaluation**  
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**Joint Response to the Evaluation Policy Review**

Your Excellency, Ambassador Webson, distinguished members of the Board and colleagues, it is my pleasure to present to you this morning a joint response from UNDP management and the Independent Evaluation Office, responding to the independent review of the UNDP evaluation policy. At the conclusion of my remarks, the Director of BPPS, Mr. Abdoulaye Mar Dieye, will also comment, underscoring our joint commitment to evaluation at UNDP.

I am joined on the podium today by IEO Deputy-Director, Mr Arild Hauge, Chief of Sections Mr Alan Fox, Ms Fumika Ouchi, Ms Heather Bryant and Senior advisor Mr Richard Jones.

Setting the stage for the discussion this morning, it is useful to recall that when the current iteration of the UNDP evaluation policy (DP/2016/23) was approved by the Board in September 2016, the Board requested that it be reviewed again in 2019, with a report to be presented to the Board at its annual session in 2019. The review team based their conclusions and recommendations based on interviews with a cross-section of stakeholders and a desk review of key documents. The review team consisted of three independent senior evaluators and development experts. The review covered the period from September 2016 to January 2019, taking into consideration contextual changes since the approval of the 2016 evaluation policy. Expectations for the review were to: a) Assess the progress made in implementing the revised evaluation policy of 2016, noting the strengths and weaknesses; b) Review the UNDP evaluation architecture; and c) Identify constraints inhibiting the effective implementation of the policy and areas that may require policy change or management decision to improve the evaluation function.

An executive board paper and full review report were provided to the Board, and the policy review team presented their review informally to the Board on 23 May.

The review team has given an overall positive assessment of the implementation of the UNDP evaluation policy, though also pointing to some opportunities for further improvement. This framework has recently

been further strengthened through the newly revised evaluation guidelines (launched in January this year), and the Charter of the IEO (published in December last year).

In their report, the policy review team set out 11 recommendations concerning the UNDP evaluation policy principles, evaluation architecture, procedures and quality assurance. While all the recommendations have been fully considered in collaboration with Management, I would briefly like to focus this morning on three that are especially pertinent for UNDP, IEO and this Board.

The fifth recommendation in the review proposes some mechanisms to enhance the quality of decentralised evaluations, through revising reporting lines and evaluation responsibilities for regional monitoring and evaluation specialists, as well as strengthening the oversight and support to decentralised evaluation. UNDP management and the IEO agree that more work is needed to strengthen decentralised evaluation quality and utility, yet suggest slightly different approaches and mechanisms, in particular with respect to the role of regional monitoring and evaluation specialists. It is not feasible to simply change reporting lines for the persons currently managing this work, due to their multiple support roles and in keeping with principles of evaluation independence.

UNDP management and IEO have agreed to propose altering the existing evaluation architecture by deploying a cadre of IEO evaluation advisers and support staff at the regional hubs. This would provide a similar regional presence to that of the UNDP Office of Audit and Investigations, and is consistent with the other integrated evaluation functions across the UN. . Under this plan, regionally posted personnel will report to the IEO Director at HQ and engage closely with the regional hubs to ensure consistency of approach and methodology. This will improve the overall quality of evaluation across UNDP and also support greater learning and ensure independence.

The next recommendation I wish to highlight is the ninth in the review, which proposes changes to how funding for evaluation is stipulated in the policy and tracked at UNDP. Among other suggestions, the review recommends eliminating language in the policy that indicates funding is 'subject to availability', and suggests a budget line be included to more accurately capture fund allocation for evaluation.

Also, UNDP management and IEO propose to change the 1% allocation formula set out in the policy, such that the allotment for IEO will increase from 0.2% to 0.3%, to accommodate the proposed new IEO regional presence. UNDP will also investigate the feasibility of revising reporting mechanism to more accurately capture evaluation expenditures, both human resources and evaluation costs. UNDP supports the recommendation to eliminate language in the policy that indicates funding is 'subject to availability'.

The final recommendation we would like to draw your attention to is the tenth, which discusses the role of the UNDP Audit and Evaluation Advisory Committee (AEAC). The recommendation states that the AEAC should no longer be part of the UNDP evaluation architecture, because it reports to the Administrator, thereby potentially compromising the independence of the IEO Director.

UNDP management and the IEO disagree with this recommendation. As stipulated in the Evaluation Policy, the AEAC is an advisory body, whereas oversight of the evaluation function is vested in this Executive Board. It needs to be emphasized that as per policy, the Director reports directly to and is accountable to the

Executive Board, with full operational independence, and the Board approves the costed program of work and all IEO evaluations. As an advisory body, the AEAC does not undermine the established principles of independence. We view the AEAC to be an important component of the evaluation architecture at UNDP, and recall its existence was instrumental in getting the 2016 policy approved. UNDP management and the IEO urge retention of the AEAC and its evaluation function and propose to examine ways to strengthen evaluation coverage within the work of the AEAC.

## **Conclusion**

Your Excellency Ambassador Webson, distinguished members of the Board and colleagues. In concluding these remarks, I would like to thank the independent policy review team for their work. Osvaldo Feinstein, Per Øyvind Bastøe, and Patty Chang did an excellent job and provided valuable advice to UNDP management, IEO and this Executive Board.

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## **2018 Annual Report on Evaluation**

Your Excellency Ambassador Cho Tae-yul, distinguished members of the Board and colleagues, I am very pleased to present to you the 2018 Annual Report on Evaluation. This is the 6th report in the series of annual reports and highlights the ongoing work undertaken by the Independent Evaluation Office to evaluate UNDP's work globally, as well as our work in support of UNDP efforts to promote a culture of evaluation, transparency and learning. This report summarizes the status of key strategic initiatives and contains a brief analysis of the actions that UNDP senior management have taken in light of recommendations from IEO.

In 2018 UNDP's IEO further consolidated its three streams of engagement: corporate evaluations – that concern thematic issues of global reach, carrying out country level evaluations of UNDP programming, and also providing guidance and tools for enhancing evaluation capacities – both internally at UNDP, and externally with national partners. I will discuss each of these streams briefly in turn.

### **IEO corporate evaluations**

In 2018, the IEO carried out two evaluations that focused on the services UNDP provides to other UN agencies, through interagency pooled finances and operational services. These were presented to the Board in September 2018 and provided timely information on these support services in the midst of UN development system repositioning. AT the end of 2018, the IEO completed an evaluation of UNDP's support to Poverty reduction in the least developed countries. The Board received this evaluation in January of this year, and the management response is under consideration at this annual session. IEO is very pleased to acknowledge the high-level management engagement and positive response to these 3 evaluations.

In 2019 the IEO is continuing its corporate/ thematic work. In particular, and as discussed earlier in this session, an independent review of the UNDP Evaluation Policy has been conducted, and a joint IEO and management response provided for consideration at this Board meeting. IEO will coordinate with UNDP

management to draft a revised UNDP Evaluation Policy for Board consideration at the second regular session in September 2019.

The IEO will soon launch an evaluation of UNDP support to vulnerable countries for Disaster Risk Reduction and Climate Change Adaptation. This will be the first in-depth analysis of UNDPs expanding work on climate change. In addition, the IEO will carry out a global study on UNDP support to middle income countries, recognising the significant differences in UNDP support to countries that pay directly and substantially for its development services.

I also bring to your attention this morning the progress to date in response to Board decisions 2018/1 and 2018/2, an evaluation that the IEO is carrying out jointly with our evaluation colleagues from UNICEF, UNFPA and UN Women, concerning the Common Chapter of their respective Strategic Plans for 2018-2021. The evaluation offices will consider the implementation modalities, and initial results arising from the agreed joint actions in the 'key collaborative areas' set out in the common chapter. A phased approach is being taken, composed of 3 interrelated exercises and deliverables: first a baseline study, then evaluation of accelerator initiatives, and finally a composite evaluation of the common chapter to be presented to the Executive Boards of the four agencies. These deliverables will come to the Board periodically, starting in June 2020.

### **Country Programme Evaluations**

Now distinguished delegates let me turn to the second major area of IEO activity – which is our extensive and expanding evaluative work at the country programme level. As mentioned to this Board at the last two Board meetings, the IEO has restructured its approach to Country programme evaluations and now evaluates all country programme documents that are coming to conclusion, prior to Board consideration of new country programmes. In 2018 the office evaluated the work of UNDP in 14 countries and is evaluating 38 countries in 2019. Professional staffing of the IEO has been expanded to address this increased workload. Taken together, these 52 evaluations cover \$7 billion of UNDP expenditure.

In 2018, the IEO consolidated its findings of over 100 country programme evaluations undertaken since 2002. Both the evaluation synthesis and the evaluation briefs on each, offer the organization a valuable learning tool.

### **Advancing global evaluation culture and practice**

The IEO actively works to support and expand the evaluation culture globally, in particular through its National Evaluation Capacity Conferences. To that end, Your Excellency Ambassador Webson, distinguished members of the Board and colleagues, I am very pleased to announce that the National Evaluation Capacities Conference 2019 will be co-hosted by the IEO, the Regional Bureau for Arab States, and the Government of Egypt, in Hurghada from 20 to 24 October 2019.

In 2018, the proceedings from the 2017 National Evaluation Capacity conference held in Istanbul were published, including 46 papers from 70 leading thinkers and participants. During 2018 the IEO organized and participated in several other key events, including a high-level Dialogue in the UK focused on "Revisiting independence, objectivity and the critically reflective role of evaluation for the SDG era."

During 2018 the IEO worked closely with the UNDP Bureau for Policy and Programme Support, the five regional hubs and country office colleagues to revise and rewrite the evaluation guidelines for the organization. The guidelines were formally launched globally by the UNDP Administrator and IEO in January 2019. The new guidelines have been translated into French and Spanish, with Arabic and Chinese versions soon to come. Training on the new guidelines is being rolled out in 2019 across all regions. Upcoming will be an online training and certification programme for all UNDP staff for evaluation.

Also, of note, the IEO continues to pilot and refine a National Diagnostic tool, developed with the support of the Norwegian Government. Piloting of the online tool is underway in Senegal, Nepal and Uganda following a launching workshop in Rwanda in June 2018 with 14 national government representatives.

### **Oversight and support to Decentralised Evaluations in 2018**

IEO continues its work to strengthen the oversight of decentralised evaluation planning, implementation and quality. The Office manages the evaluation resource centre, now holding more than 5,000 evaluations of the work of UNDP and aiding in the oversight of evaluation planning and implementation in all UNDP offices.

In the annual report, we note that during 2018 there was a reduction in the number of evaluations implemented across all UNDP programme units, with completed evaluations falling to 283 from 340 in 2017. Given this overall reduction, the mandatory evaluations – especially those required as an implementing agency of the Global Environment Facility, now make up the majority of evaluations being undertaken by UNDP. Of the UNDP evaluations in 2018, 43% were for GEF projects despite the fact that GEF projects accounted for only 9 percent of UNDP expenditure and 17 percent of projects carried out last year.

A further concern – also mentioned in last year’s annual report, is that the organization continues to over-promise and under-deliver when it comes to evaluation planning. In 2018, 504 evaluations were planned, yet only 283 were actually completed by the 31st of January 2019.

The IEO continues to quality assess all evaluations during the year. As a leading development agency, the criteria and band for success should be satisfactory and highly satisfactory. Using this level, there is still considerable progress to be made, and IEO and UNDP is working on a roll-out of training and capacity building at the regional level to improve this result to meet this success criteria. More work needs to be done, especially in the use of evaluation across the organization for learning, as well as accountability.

The new evaluation guidelines, plus training and tools now under development are expected to raise the quality and use of evaluations across the organisation, yet accountability by management at the regional and country office level is needed to ensure evaluation plans are realistic as well as strategic and implemented according to plan.

### **IEO staffing and Finances**

Turning to resource issues, please note that the IEO has a highly professional staff reflective of the goals, ethics and nature of UNDP, which includes 22 international professionals and 9 general service staff. This

year, 6 temporary staff positions will be made permanent. In 2018, funding for IEO was 8.7 million dollars, equalling 0.19% of UNDP core and non-core expenditure. Taking into account also funding for evaluations commissioned by the country and programme offices, the combined expenditure on evaluation reached 22 million dollars in 2018, or 0.48% of core and non-core expenditure. This percentage is essentially unchanged from 2017 and represents less than half of the 1% goal for evaluation expenditures targeted under the UNDP Evaluation Policy.

### **Moving forward**

Distinguished delegates, ladies and gentlemen, this concludes my presentation of the Annual Report on Evaluation for 2018. In reading the report, I hope you recognise both the accomplishments and the challenges facing UNDP as it strives to lead by example as a transparent and learning organisation. Repositioning of the UN Development System will usher in substantial changes to UNDP and how it operates, and the IEO is adapting to these changes: by doing more joint evaluations with other UN agencies, by expanding its evaluative efforts at regional and country office levels, by closely coordinating its work with the UNDP audit office where practical, and I thank Director Helge Osttveiten. The IEO retains its leadership position in the UN Evaluation Group. It has been a productive year for IEO, and I wish to thank once again the Board for its support to the function, Administrator Achim Steiner for helping create the space for critical reflection through his leadership, UNDP management and staff and finally, my committed team for responding to the call from the Board for full coverage of UNDP portfolio, and producing high quality work. The members of the Evaluation Advisory Panel (EAP) and Audit and Evaluation Advisory Committee (AEAC) also need to be thanked for their support at different junctures.

I thank you for your attention.

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