

Chapter 1

RATIONALE, SCOPE AND APPROACH

The UNDP Executive Board, in its decision 2006/19, approved the 2006-2007 programme of work for the Evaluation Office, including the conduct of the evaluation of the role and contribution of UNDP in environment and energy. The present report sets out the findings of the evaluation, which assessed the relevance, effectiveness, efficiency and sustainability of UNDP's work at the global, regional and national levels. The evaluation supports the UNDP Administrator's substantive accountability to the Executive Board.

Environment and energy in various formulations has featured as one of the key thematic areas of UNDP's work since the 1980s. In the 2004-2007 multi-year funding framework (MYFF), 'Managing Environment and Energy for Sustainable Development' was one of the five main practice areas. The new UNDP strategic plan, 2008-2011, identifies 'Environment and Sustainable Development' as one of four focus areas.

The objective of the evaluation is to assess UNDP's positioning and contributions to managing environment and energy for sustainable development. The evaluation is both retrospective and prospective, i.e., taking stock of the past while looking into the future with respect to UNDP's role. The intended audience of the report includes the UNDP Executive Board, senior management, the Bureau for Development Policy (BDP), regional centres, country offices, national governments and counterparts, other UN agencies and the international development community at large.

The evaluation covers all programmatic and operational aspects of the environment and energy practice in all UNDP's geographic regions and at all levels—global, regional and country levels. The evaluation covers the period from

2002 to 2007. In order to contextualize and situate the current programme in its historical context, the evaluation also considers how events before 2002 shaped UNDP's approach to environment and energy as well as how the organization is positioned to move forwards. The most recent initiatives obviously cannot yet be evaluated and are noted as being underway.

The evaluation does not aim to analyze individual projects, programmes or advocacy and policy initiatives in environment and energy. It analyzes a selection of major technical areas of environment and energy that UNDP is active in.

1.1 EVALUATION ISSUES

There are two basic issues: (i) UNDP's contributions to environment and energy in relation to its main mission of poverty reduction and (ii) its effectiveness in using the financial resources that were made available from core and external sources. This evaluation focuses on both issues, with an emphasis on the first one.

Assessing UNDP's performance in environment and energy based on its contributions to the Millennium Development Goals (MDGs) is hindered by the way the MDGs address environment and energy. MDG-7 on environment has four targets, two of which are quantified, but these apply to clean water and sanitation as well as urban slums, areas in which UNDP does not work. Energy was not an explicit goal in the MDGs. While it can be argued that environment and energy are implicit in all of the MDGs, this does not provide a basis for assessing progress.

In addition, the evaluation looks specifically at the following issues:

Mainstreaming: UNDP has aimed to incorporate

environmental management across its entire range of programming since well before 2002. Two aspects of environmental mainstreaming were assessed by this evaluation: (i) mainstreaming within UNDP, for example, within the poverty reduction and governance practices and (ii) mainstreaming at the country level, that is, how UNDP has incorporated environment and energy into its country programmes and helped the partner countries to incorporate these considerations into their own policies and productive sectors.

Availability of resources: The evaluation has analyzed how UNDP allocated and mobilized resources for environment and energy from its own and external sources. It also focused on how resources have been used and how this has affected the direction and performance of UNDP's work in this area. The Global Environment Facility (GEF) has been by far the most significant financing source for UNDP environment and energy programmes.¹ Within UNDP, GEF programmes have received significantly more resources than environment and energy work financed from UNDP's core budget. This evaluation did not evaluate GEF's performance or mandate but rather whether UNDP's partnership strategy with GEF has enabled UNDP to provide effective and relevant support to programme countries.

Responsibility for environment and energy within the United Nations: UNDP's role within the UN system, especially its relationship and division of responsibilities with United Nations Environment Programme (UNEP) and other agencies, has come under increasing scrutiny since the 2006 high-level panel report, 'Delivering as One'.² This evaluation assessed the effectiveness and added value of partnerships between UNDP and UNEP on environment and energy topics.

1.2 EVALUATION CRITERIA

1. At the end of 2007, the GEF Project Database online showed 1,107 UNDP projects since 1992 have received GEF grants amounting to \$2.7 billion, approximately half of which have been approved since 2002.
2. 'UN Secretary-General's High-level Panel on UN System-wide Coherence in the Areas of Development, Humanitarian Assistance and the Environment' 2006.

The essential criteria included under objectives-based evaluations, that is, relevance, effectiveness, efficiency and sustainability, were addressed:

1. Relevance, or the rationale for UNDP's involvement in the field vis-à-vis other actors and its own organizational mandate supporting the development results of partner countries;
2. Effectiveness, or the positioning of UNDP's programmes and non-programmatic activities at the global, regional and national levels and their effectiveness in achieving results;
3. Efficiency, or the relative ability of the approaches used, partnerships forged and resources allocated and mobilized to enable UNDP to achieve its stated goals; and,
4. Sustainability, or the contribution of UNDP's work to sustainable human development and to lasting change in the areas of environment and energy.

1.3 EVALUATION APPROACH

This was an objectives-based evaluation, focused on whether actual outcomes are likely to achieve stated objectives. The evaluation considered the changing global environmental debate as well as evolving international concerns and priorities. The evaluation lines of inquiry recognized the following:

1. **Positioning and performance:** Inquiries primarily consisted of (i) an analysis of the policies, strategies and priorities adopted by UNDP in defining its role in managing environment and energy for sustainable development, (ii) an overview of the programmatic and non-programmatic activities undertaken and (iii) a performance assessment of the various activities at the global, regional and national levels. The evaluation also considered the links between country-level operational programmes and higher level planning processes for environment and

energy, including the two MYFFs and the development of the strategic plan for 2008–2011.

2. Programmatic and thematic architecture:

The evaluation considered the effectiveness of the organizational architecture for environment and energy within UNDP since 2002, including the expansion of the regional centres. These inquiries included such areas as setting priorities for environment and energy within the organization, promoting organizational learning and feeding lessons into policies and programmatic development. The evaluation also examined human and financial resource allocations at the country, regional and headquarters levels and assessed the consequences of these allocations on operational activities. Consideration was also given to the value that each *vertical* level (country, regional, global) adds to information flows and decision-making in the practice area. The *horizontal* organizational configurations established for different environment and energy technical areas were also studied for their influence on the priority-setting and coherence of these areas.

The evaluation thus analyzed UNDP's policy, praxis and performance along two principal axes. First, the entire environment and energy practice area was analyzed holistically at the main levels of operations, i.e., national, regional and global. Then the evaluation assessed a selection of the most important technical areas, namely climate change, energy and biodiversity, at all of the above levels. Important cross-cutting issues, mainly mainstreaming and partnerships, merited specific attention in the evaluation.

The evaluation took place between June 2007 and February 2008, with country and regional centre visits between August and November 2007.

1.3.1 CASE STUDY APPROACH

To this end, this evaluation adopted a case study approach. Country-level case studies provided the principal information source and focus of analysis for the evaluation. These case studies

were particularly important for the insights they provided on UNDP's work in environment and energy at the country level, where the organization's operational focus and most of the programmatic resources are allocated.

Extensive consideration was given to the selection of case study countries. Given the time and resource limitations, a purposive approach was adopted to reflect: (i) a regional balance (with a significant emphasis on sub-Saharan Africa, which is UNDP's stated region of emphasis), (ii) a mix of country types, including large, middle-income and least-developed countries (LDCs) and small island developing states (SIDS) and (iii) an overall mix of both UNDP core and external funding (notably from GEF) for environment and energy operations. An attempt was made to give greater weight to countries with relatively significant UNDP environment and energy portfolios during the second MYFF phase, that is, since 2004. In finalizing the country selection, the Evaluation Office consulted closely with the BDP, in particular the Environment and Energy Group (EEG), as well as all regional bureaux. Logistical and practical issues were also taken into account, including the number of recent evaluation visits to particular countries. The evaluation team was requested not to consider the eight countries participating in the 'One UN' pilot exercises.

Eight countries were visited (Table 1), including Fiji and Samoa where UNDP has multicountry offices covering a total of 14 countries (10 from Fiji, 4 from Samoa). Two UNDP regional centres as well as the Pacific sub-regional centre were also visited. In connection with the visit to the Bangkok regional centre, a less detailed review of the Thailand country programme was conducted.

The selected UNDP country offices were asked to prepare background information, including detailed data sets of environment and energy operations and programmatic resources in the countries, before evaluation team visits. Country offices also were asked to organize meetings with key national stakeholders, including government,

Table 1. Case Study Countries and Regional Centres/Sub-Regional Resource Facilities

UNDP Region	Case Studies	Regional Centres/SURFs
Africa	Burkina Faso, Kenya, Malawi	-
Asia & the Pacific ³	China, Fiji, Samoa	Bangkok, Suva
Latin America & the Caribbean	Ecuador	-
Europe & the Commonwealth of Independent States	FYR Macedonia	Bratislava

donors, non-governmental organizations (NGOs), private sector and academia, based on guidance by the evaluation team. NGOs, including IUCN, suggested key individuals and organizations from civil society to consult with in each case study country, to supplement proposals from the country offices and to ensure a balanced set of consultations.

Pilot country visits to Malawi and Kenya enabled the evaluation team to refine the approach and key questions. Four members of the international evaluation team participated in the pilot country visits to Malawi and Kenya. The other countries and regional centres were visited by two members of the evaluation team, in most cases supplemented by national consultants. Fiji and Samoa were visited by one team member supported by a consultant from the region.

Global consultations focused on UNDP headquarters staff and management, as well as organizations whose interests and goals overlap with UNDP.

The evaluation team visited UNEP headquarters in Nairobi and its Regional Office for Asia and the Pacific (ROAP) in Bangkok to discuss past, present and future partnerships and collaboration with different UNEP divisions, as well as UNDP's future positioning on environment and energy within the UN system.

Other global consultations included interviews with the staff of international organizations with

overlapping interests, priorities and concerns. These included the GEF Secretariat, the GEF Evaluation Office, the World Bank, IUCN, the International Institute for Environment and Development (IIED), and the World Resources Institute (WRI).

The primary data collection methodology used was a semi-structured interview with internal and external stakeholders identified based on a mapping of key actors. Information sources *within* UNDP were mainly staff working on environment and energy at global, regional and national levels, as well as resident representatives/coordinators in the countries visited. Information sources *outside* UNDP included staff at major partner organizations and other stakeholders with an informed view of UNDP operations, such as government departments, donor agencies, research organizations and civil society. Consultations with external stakeholders were undertaken at national, global (or multilateral) and, where feasible, regional levels.

1.3.2 DESK STUDIES

Secondary evidence was gathered through a study of key documents related to UNDP policies and strategies as well as evaluative evidence from existing evaluations.

The evaluation studied UNDP's goals and objectives elaborated in the 2000–2003 and

3. A brief visit to the Thailand country office and to key government and NGO partners was made in connection with the visit to the Bangkok Regional Centre.

2004–2007 MYFFs,⁴ the first of which coincided with the introduction of results-based management at UNDP. The two MYFFs, together with associated reports on progress and performance, provide the defining overview of objectives, priorities and achievements from UNDP management’s perspective. These were a critical starting point for the evaluation.

A significant body of project and programme evaluations already carried out by UNDP were relevant to this evaluation. These included outcome evaluations of environment and energy programmes, country-level Assessments of Development Results (ADRs) and Regional and Global Cooperation Framework evaluations. For the case study countries selected for the evaluation (see below), all outcome evaluations and ADRs were reviewed, as well as individual project evaluations and GEF Project Implementation Reviews (PIRs) on a sample basis.

Applicable evaluations carried out by the GEF Evaluation Office were also reviewed, including the 2003 GEF Overall Performance Study and its background papers on specific focal areas, plus the 2007 ‘Comparative Advantages of the GEF Agencies’ study.

UNDP performance reporting at the country level has been based on the results-oriented annual report (ROAR), which provides the framework for the country/regional programmes’ annual critical review. ROARs were reviewed as part of the country case studies.⁵

A variety of UNDP documents were reviewed, including relevant guidance materials, practice notes and performance assessments on environment and energy. Available financial data on UNDP’s environment and energy programmes were also analyzed.

Specific studies were carried out on the major topics contained in this evaluation, including

UNDP’s relationship with UNEP and GEF, as well as the central thematic areas. These studies used centrally available data, policy documents, reviews and evaluations, as well as information from the country and regional centre visits undertaken as part of this evaluation.

1.3.3 EVALUATION CHALLENGES

Evaluating UNDP’s role in environment and energy is a demanding and complex task. Several factors made the task more challenging:

- Shortcomings of case studies – A sample of eight countries represented the LDCs, especially in Africa, and the SIDS. However, middle-income countries in Latin America and Asia are not equally well represented. The case studies involved country visits of about one week each, generally carried out by two evaluation team members. Despite the useful preparatory work carried out by the country offices, the intensive itineraries arranged and the significant amounts of information collected, in-depth analysis of individual projects and programmes was not possible.
- Limited financial information – UNDP headquarters was unable to provide reliable data on the financial resources used for environment and energy prior to the selection of case study countries. While this information is available for GEF-funded programmes, it could not be provided in a usable form for activities supported by UNDP core budgets or other sources. Similarly, the selected case study country offices had difficulty in providing coherent and consistent financial information on their environment and energy projects. The fragmented and unreliable nature of the available financial information has hampered efforts to obtain an overview or insights into trends over time, or to analyze the national project portfolios.
- Paucity of aggregated performance measures –

4. ‘Environment and Natural Resources’ was one of six critical areas in MYFF-1 and ‘Managing Energy and Environment for Sustainable Development’ was one of five strategic goals in MYFF-2.

5. ‘Comparative Advantages of the GEF Agencies.’ GEF Council GEF/C.31/5 2007.

While individual project inputs and outputs are monitored, performance monitoring systems were found to provide little usable information on goals, results or outcomes (a result consistent with the recent evaluation of results-based management in UNDP⁶). No significant application of performance indicators at a programme level was apparent, and no systems or procedures are in place to adequately measure performance at the country level or higher. There seems no reason to assume this situation is limited to UNDP's environment and energy practice; the practice areas' reliance on common systems suggests this may well be true across UNDP.

- Reviews of the individual technical areas that UNDP has focused on in environment and energy were restricted to climate change, energy and biodiversity. Other important areas are referred to in the context of the case studies.

To address these limitations, extra care was taken to map the stakeholders and design the semi-structured interviews with the identified stakeholders.

1.3.4 QUALITY ASSURANCE

An independent advisory panel of three international authorities with expertise in various aspects of environment and energy, as well as evaluation methodologies and approaches, was constituted. The panel reviewed the validity and quality of evidence and verified both that findings were based on evidence and the conclusions and recommendations were based on findings.

This was complemented by the standard quality assurance and review processes for evaluations conducted by the Evaluation Office. These

included detailed reviews of the concept paper, terms of reference (TOR), inception report, and draft evaluation report.

The inception report was developed and the evaluation approach and questions refined based on consultations with a number of stakeholders in UNDP headquarters and following the pilot case studies. Stakeholder feedback was sought on draft reports for factual inaccuracies, errors of interpretation and omission of evidence that could materially change the findings of the report.

1.4 STRUCTURE OF THE REPORT

The report is organized as follows. The next chapter in this background section traces the justification and evolution of environment and energy in UNDP against a global context and emerging priorities. It then describes how UNDP sets goals and objectives and how performance is reported on. It describes the organization of environment and energy in UNDP as well as the major partnerships. Then the available financial resources are identified. Section II contains the evaluative evidence and findings related to activities and programmes at the country, headquarters and regional levels. It analyzes the findings related to environment and energy mainstreaming, as well as UNDP's strategies and performance reporting related to the programmes. The second part of the section focuses on major thematic areas before closing with an analysis of the role of the Global Environment Facility. Section III presents the conclusions and recommendations of the evaluation.

6. *Evaluation of Results-based Management at UNDP*. UNDP Evaluation Office 2007.