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SUPPORT

PROGRAMME IMPLEMENTATION

EVALUATION

Report of the Administrator

Summary

This is the second report of the Administrator on evaluation prepared in response to Governing Council decision 83/12 which inter alia requested information on the arrangements for the evaluation of the results and effectiveness of the Programme.

The report deals with the development of the measures taken to improve evaluation policies and procedures. Summary details are provided on the present status of harmonization in project evaluation and reporting throughout the United Nations system using UNDP's proposed system as a frame of reference. A status report on the thematic and ex-post evaluations in process is included. The results of the overview of 1983 evaluations as to their effectiveness as a management tool are presented. UNDP's response to Economic and Social Council resolution 1984/61 A, section V, on the evaluation of the UNDP-financed technical co-operation activities of the United Nations Industrial Development Organization (UNIDO) in the field of manufactures is also included.

As in the first report (DP/1984/18), the attention of Council members is drawn to reports of programme achievements by the Regional Directors for their respective regions with regard to specific evaluation activities conducted by them.

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I. MEASURES TO STRENGTHEN EVALUATION

1. The reaction of UNDP to the renewed emphasis by Governments on evaluation has been prompt and comprehensive throughout the year. The regional bureaux, both at headquarters and in the field, the Bureau for Special Activities, the executing agencies and, most importantly, Governments of developing countries have co-operated in sustaining the impetus given this task by the Governing Council in 1983 in its decision 83/12.

2. The significant steps taken by the Administrator to strengthen evaluation were detailed in last year's report (DP/1984/18), particularly those dealing with the systematic reinforcement of UNDP's evaluation capacity. Since then the Administrator has widened his consultations with Governments to develop further ideas for improving the evaluation modalities and techniques of UNDP. This is an ongoing task which will be pursued with vigor and persistence.

3. In seeking to strengthen evaluation, the first major step in formulating a systematic approach to the discipline has been completed. A draft revision of the provisions in the UNDP Policies and Procedures Manual (PPM) was distributed to field offices and executing agencies in September 1984, prior to a field test in 1985. Preliminary reactions from the United Nations system as a whole were favourable to the proposal put forward by UNDP and the World Health Organization (WHO) to the Consultative Committee on Substantive Questions (Operational Activities) (CCSQ(OPS)) in December 1984; namely, to apply the new provisions jointly with the executing agencies to all UNDP-financed projects (see also paragraphs 12-16 below). In order to ensure maximum benefit from the envisaged trial period, a meeting of the Inter-Agency Working Group on Evaluation was convened in mid-January 1985, at Geneva, to finalize the details regarding the introduction of the draft provisions in the PPM. At that meeting, it was agreed that the revised procedures would be applied to all UNDP-financed projects during a trial period extending to May 1986. The experience gained during the trial period would then be analyzed by both UNDP and the executing agencies. In approximately 12 countries an in-depth analysis of the experience gained with the new system would be undertaken. The reactions of all Governments involved in the process would be actively sought, notably those of the sample countries.

4. A substantial proportion of the measures to strengthen evaluation has obviously to be addressed to UNDP's operations at the field level. The measures intended to improve evaluation in UNDP were identified in document DP/1983/ICW/6. The included: procedures; the organization of monitoring, tripartite reviews and evaluation missions, including feedback of results; a better integration of the design, appraisal and evaluation aspects of the project cycle through an improved process of assessment of technical results; staff training; and co-operation with recipient Governments on evaluation efforts. As has previously been noted by the Governing Council, the responsibility for the operational planning, management and review of monitoring and evaluation of ongoing project activities must be borne by the UNDP regional bureaux, the field offices and the special funds concerned. The introduction of these measures will lead to an increase in the already considerable amount of work involved in evaluation. In this situation and in order to ensure the appropriate exchange of evaluation information and to provide a linkage between the UNDP Central Evaluation Office (CEO), the

regional bureaux and the field offices, UNDP has created an evaluation network. In each headquarters unit, an evaluation co-ordinator has been designated; and in each field office, an individual, usually the Deputy Resident Representative, has been given the responsibility to manage systematically evaluation matters. Although this network is not yet fully operational, every effort is being made to consolidate its establishment. It will play an important role in supporting the strengthening process.

5. The Inter-Agency Working Group on Evaluation is equally important in supporting the process of strengthening evaluation, both at agency headquarters and in the field. UNDP has been fully aware of the improvements made by many agencies in the important areas of project monitoring and evaluation. Several agencies have introduced internal evaluation mechanisms of their own and the revised UNDP system has fully taken account of these. In the planned 1985-1986 field test of all UNDP-funded projects, every effort will be made to ensure complementarity of all these processes so that field personnel and Governments will not be unduly burdened by the operation of a multiplicity of systems. A meeting of the Inter-Agency Working Group will be convened in mid-1986 to discuss the experience gained with the new system, and to revise it as necessary.

6. Strengthening of evaluation also requires specific attention to the restructuring of training for the application of the new provisions. UNDP plans to undertake a special training programme in design and evaluation. The training would concentrate on the members of the UNDP evaluation network who would act as trainers for other operational staff. For their part, agencies will ensure that their field staff is fully informed of the need to meet the requirements of the field test. Agencies will also provide appropriate support and training of their staff to the extent that their resources permit.

7. Participation by CEO in two training courses (one each for anglophone and francophone least developed countries (LDCs) in Africa) involving government planners and UNDP officials revealed the scope of work ahead and highlighted the need to ensure that all three partners in the tripartite system should be trained in a situation which would permit mutual review of problems affecting project development, implementation, monitoring and evaluation.

8. Planning and indeed the actual conduct of evaluations is achieved through well-prepared terms of reference. Consequent upon the regional bureaux' desire to improve the management of operational evaluations, a substantial increase has been recorded in the draft terms of reference referred by the bureaux to CEO for review and advice. The increase in the briefing and debriefing of independent evaluators (recruited by the regional bureaux) by CEO also clearly indicates the kind of immediate benefit that is gained when such services are made available to operational units, who then pragmatically utilize them in strengthening their capability.

9. While the immediate starting point for strengthening of evaluation practices and policies has been projects and programmes financed from indicative planning figures (IPFs) and the Special Measures Fund for the Least Developed Countries, the concept of a single monitoring and evaluation system applies also to the funds and operations for which the Administrator is accountable such as the United Nations Capital Development Fund (UNCDF) and

the United Nations Revolving Fund for Natural Resources Exploration. Special needs required as a result of legislative mandates or operational imperatives will be provided as annexes to the draft provisions on evaluation and monitoring in the PPM. Governments and executing agencies will, therefore, be able to work with a single integrated system with appropriate allowances made for special requirements. The work of resident co-ordinators will also be facilitated in having to deal essentially with a unified system.

10. Accordingly, UNCDF, in November 1983, established an evaluation system based on the UNDP framework but geared specifically to the Fund's mandate and operational modalities. In 1984, UNCDF began evaluation activities based on this system and by the end of the year, 11 project evaluations had been conducted in 9 countries and 5 sectors. In addition, 14 desk review reports were prepared for forthcoming evaluations. A comprehensive report of the evaluation results is presented in the annual report of the Administrator on the 1984 activities of the Fund (DP/1985/45).

11. Although staff resources and workload considerations severely limit the participation of CEO in operational evaluations conducted by the regional bureaux, the importance of this participation is fully recognized. In June 1984, the World Bank invited UNDP and various organizations to participate in its programme review of the Eastern and Southern African Management Institute (ESAMI) which was selected by the World Bank for special attention in view of the fundamental importance of management to development in Africa as perceived by the Bank. The Regional Bureau for Africa requested CEO to provide an evaluator to represent UNDP on the field mission. ESAMI is located in the United Republic of Tanzania and covers 18 countries. The result was a review report proposing an effective strategy for ESAMI's further development, a strategy which would involve further strengthening of its own management functions to permit it to meet the needs of a very large and, for the most part, unsatisfied market. For CEO, as for the World Bank, the exercise resulted in important lessons in formulation and evaluation approaches, in effective management development modalities and in the organization of such reviews in co-operation with other organizations. For example, it showed: (a) that in formulation and evaluation, a wide-focused analytic approach, taking care of all relevant dimensions, allows for a far stronger result than a narrow-focused, overly technical approach; (b) that management, and management development, are fundamental to effective development, and that the newer approaches now emerging, which are more market-oriented and more related to specific needs of the enterprise, should be encouraged; and (c) that an approach to evaluation which separates the institution from the project and analyzes first the institution, in terms of impact and internal functions, and then the project, in terms of design, modalities, framework, and inputs, can be very effective. Time and resources permitting, CEO intends to continue to participate in a modest number of operational evaluations in 1985.

II. HARMONIZATION OF EVALUATION AND REPORTING REQUIREMENTS

12. The Administrative Committee on Co-ordination (ACC), by its decision 1982/27 entitled "Evolution of operational activities for development in the 1980s: challenges and constraints", reaffirmed its resolution to continue to

enhance the effectiveness of the United Nations system, and requested CCSQ(OPS) to prepare, inter alia, preliminary proposals on a number of subjects, including "accelerating the process of simplifying and harmonizing aid modalities used by various components of the system".

13. CCSQ(OPS) was assisted in its discussion by the initiative taken by the Director-General for Development and International Economic Co-operation in appointing two consultants to prepare a report on these subjects in the light of paragraph 21 of General Assembly resolution 37/226 of 20 December 1982, which urged all organs, organizations and bodies of the United Nations system, to take the necessary steps to ensure the harmonization of administrative, financial, personnel, planning and procurement procedures, and requested ACC to report on specific actions taken.

14. CCSQ(OPS) decided to keep under review various aspects of simplification and harmonization in respect of: (a) evaluation procedures and arrangements; (b) project reporting requirements; (c) the submission of project proposals; and (d) project documents and agreements.

15. At its first regular session in 1984 in March, CCSQ(OPS) requested UNDP and WHO to concentrate on preparing proposals for further simplification and harmonization of procedures within the United Nations system in relation to the requirements for evaluation and reporting, namely (a) and (b) above. CCSQ(OPS) decided to review these proposals at its second regular session in December 1984; meanwhile work would continue with respect to (c) and (d).

16. A joint paper was presented to the December 1984 meeting, and CCSQ(OPS) agreed to consider the monitoring, evaluation and reporting process developed in the relevant draft provisions of UNDP's PPM as a framework for furthering harmonization efforts in this regard. It was decided that the Inter-Agency Working Group on Evaluation should review the process of introducing these procedures. The results of the January 1985 meeting of the Working Group have been described in paragraph 2 above. The experience gained in applying these procedures to all UNDP-funded projects could be very helpful in guiding the United Nations agencies when considering whether the same system could be used for projects financed by the agencies either from regular budget or other sources. Simplifying and harmonizing evaluation requirements would, of course, go a long way towards helping aid-receiving Governments to take on an increased role in evaluation. The aid co-ordination and management process would also be a beneficiary of commonly agreed evaluation requirements.

III. RESULTS OF RECENT PROJECT EVALUATIONS

17. A total of 185 project evaluations were carried out in 1983. Two thirds of the 185 evaluations were firmly planned for in respective Country Programme Management Plans, while the balance were scheduled in the context of more immediate operational needs. In the context of planning for evaluation, UNDP recognizes the need for a more precise timing of evaluations, both within the project document itself and in the biannual Country Programme Management Plans. On the other hand, it has to be recognized that UNDP's evaluation requirements, although precisely mandated, can be implemented over a discretionary time frame either as mid-course or end-of-term evaluations.

18. In 1984, a total of 239 evaluations was conducted. In both years, the largest number of evaluations were in the sectors of agriculture, forestry and fisheries, followed by general development issues, policy and planning, and industry respectively. These sectors accounted for almost 52 per cent of the evaluations in both years.

19. During the course of its activities this year, and in accordance with its mandate, CEO carried out reviews of project evaluations undertaken in 1983 in all the regional bureaux. The reviews themselves were carried out at UNDP headquarters and took the form of desk studies combined with personal consultations with staff members of the bureaux concerned and, wherever necessary and/or operationally feasible, included consultations with UNDP field office staff and external evaluators.

20. These reviews attempted to go beyond examining whether procedures had been followed correctly; an assessment was made as to whether these project evaluations had been effective, whether they had any discernible impact and, if so, at what levels. If effectiveness is measured in terms of the use to which the findings had been put, then many were indeed reasonably effective. It has not been possible, however, to establish a clear relationship showing that evaluations have been effective in helping projects to achieve their objectives. Further study is needed in this area, and CEO plans to continue to pursue this theme in future years. In the interim, it is expected that the major training effort, which is to accompany the introduction of the revised evaluation procedures in 1985, will contribute significantly to raising the quality of evaluation work.

21. A summary of the major findings of the overall reviews is presented below:

(a) Most evaluations were undertaken towards the scheduled end of the project rather than at its mid-point;

(b) Evaluations were initiated for specific management reasons, such as decisions about termination or extension, which were considered important tools in the project cycle;

(c) There was a lack of uniformity in the standard of evaluations carried out during the course of 1983. This would indicate that the systematic management of evaluations continues to require the close attention of the regional bureaux;

(d) Not all the reports recorded by operational units as in-depth evaluations complied with the definition and criteria stipulated in the relevant sections of the PPM. All of them, however, had substantial evaluative aspects and were of operational value to the offices using their results;

(e) Although evaluations were not always effectively scheduled, the reasons for this were found to be complex. They include the unavailability of suitably qualified evaluators or failure to reach agreement within the tripartite system on one or more of the following: mission composition,

mission timing, objective of the mission or scope of the mission. Such issues are not easily resolved and reflect real complexities in managing evaluation in a genuinely decentralized process;

(f) A significant number of evaluations carried out during the course of 1983 were initiated by UNDP with a view to confirming or rejecting the hypothesis that the activities of the project in question should be terminated, drastically scaled down or extended. The majority of missions fielded in order to consider the termination of UNDP assistance did, in fact, recommend the withdrawal of UNDP support - albeit in most cases, in conjunction with a brief extension allocated for the winding up of ongoing activities. Almost all of the evaluation missions fielded to deal with possible extensions, did recommend an increase in UNDP input and/or an extension of the project;

(g) There was a severe time constraint imposed upon most missions and this, in the majority of cases, had a negative effect upon the quality of their work. Largely because of this time constraint, a significant number of missions considered did not inspect project sites or examine the data pertaining to them in a satisfactory manner. Because of the disproportionate emphasis placed upon personal consultation for the gathering of information, the views of evaluators were being excessively influenced by the opinions of key officials consulted during the course of the evaluation process. Here again, consultation within the tripartite system is both an important aspect of the evaluation of the management of the Programme and constitutes an important aspect of the evaluation process. However, information should be sought from a variety of appropriate sources to ensure necessary depth and balance;

(h) While most of the terms of reference written for evaluations carried out indicated that the standard format required had been consulted, there were others where there was less than satisfactory adherence to format requirements. It was found that the terms of reference for most evaluation missions could gain by being more project-specific and also by indicating information sources or types of information to be sought by the evaluators and the way in which the evaluation should be conducted. Most terms of reference are not explicit enough in requiring missions to assess project design critically and, as a consequence, very few of the evaluations did so. This shortcoming has systematically been addressed in the revised instructions. None of the terms of reference required the missions to investigate any unintended effects the project might have had. Few of the evaluations actually investigated any such unintended effects;

(i) In those cases where identification of the projects' beneficiaries was possible, few of the terms of reference clearly defined the project's target group, and in even fewer cases did the evaluators consult or the report mention the project's beneficiaries. It should be recognized that in many cases, this would not have been feasible. Here again, the major lacunae are traceable to the design stage and will be addressed in the reformulated guidelines on design;

(j) In general, field office briefings were found to range from quite adequate to excellent, while UNDP headquarters briefings varied in quality and

depth. Although debriefings could have been more systematically conducted, it was apparent that attention had in fact been paid to incremental costs attached to such a process. While debriefing at the project level in the field involving all participants almost invariably took place, debriefing at either agency or UNDP headquarters had no clear pattern to permit analysis;

(k) The substantive follow-up of evaluation findings were on the whole found to be good and timely. The findings and recommendations of evaluation missions very often influenced or determined the course of subsequent management actions;

(l) In conclusion, the evaluations reviewed clearly indicated that they had been initiated for very specific management reasons. The standard of preparation for them was varied as was their implementation. Follow-up to evaluation findings and recommendations was found to be generally rapid and appropriate.

22. The positive response of the regional bureaux at headquarters and in the field to the issues raised and to their being addressed properly is, in the opinion of the Administrator, very salutary. Evaluation has helped in the reorientation of projects, thus compensating for initial shortcomings in the identification and subsequent design of projects and thereby contributing to their effective performance. However, the Administrator also recognizes that evaluation is not an end in itself, but only a part of the project and the programme cycle. Furthermore, for evaluation to make a truly effective contribution to improving the quality of the Programme, projects have to have been properly identified.

23. It should be emphasized that these findings apply to evaluations carried out in 1983 only. They have emerged as a result of systematic analysis by CEO which was established by the Administrator in October 1983. These findings confirm the view that the creation of a separate unit to deal with evaluation was a timely step. The Administrator has requested the regional bureaux along with CEO to take remedial action. He will be reporting to the Governing Council in the future concerning the steps that have been taken and the results achieved.

IV. THEMATIC EVALUATIONS

24. In his report on evaluation to the Governing Council at its thirty-first session in June 1984 (DP/1984/18), the Administrator affirmed that UNDP had substantially completed work on the programme of thematic evaluations endorsed by the Council in decision 80/22. He also informed the Council that initial discussions on a new list of thematic evaluations had been launched as early as December 1983 and were proceeding at the time of the thirty-first session. Cognizant of the need to expand the base of thematic studies, it was thought that the time was appropriate to obtain a greater involvement of the executing agencies responsible for highly specific technologies such as in the communication, telecommunication and meteorological fields. While for the most part the response has been in the affirmative, resource limitations preclude reaching a final agreement with some agencies.

25. To facilitate proper and timely implementation of thematic evaluations, a commonly agreed set of procedures has emerged and has been incorporated in the study designs attending such evaluations already under way. Among the agreed principles, the one which appears to present most difficulties is the sharing of costs with the agencies concerned on an equal or near equal basis. Past thematic evaluations have suffered from inadequate attention to this important aspect of evaluation planning. This has held up evaluations and resulted in cost increases.

26. UNDP will continue to explore ways and means of ensuring that the programme of thematic evaluations reviews the whole gamut of technical assistance including that which, inter alia, provides technologically advanced infrastructure and equipment. The Administrator believes that Governments, by stressing the importance of evaluation in the relevant governing bodies, should enable all of the agency partners to mobilize more resources to support thematic evaluations. One very important development has been the increased willingness of individual Governments to support UNDP in the conduct of such evaluations by generating financial and other support.

27. For 1985 and 1986, the following subject areas are being developed for thematic evaluations:

(a) Aquaculture, in collaboration with the Food and Agriculture Organization of the United Nations (FAO) and the Government of Norway;

(b) Generalized system of preferences, in collaboration with the United Nations Conference on Trade and Development;

(c) Small businesses, in collaboration with the United Nations Industrial Development Organization (UNIDO), the International Labour Organisation (ILO) and the Government of the Netherlands;

(d) Agro-meteorology, in collaboration with the World Meteorological Organization.

In addition, discussions are proceeding with Governments which have expressed interest in supporting and participating in studies of such topics. For example, discussions are proceeding with the Government of Switzerland with a view to selecting a topic of mutual interest. Topics currently under consideration for thematic evaluation include desertification, low-cost housing, non-governmental organizations and trade information systems. The Administrator invites the Governing Council to comment upon the topics indicated above, and to indicate any additional ones it deems worthy of consideration. Following receipt of any comments the Council may wish to make, the Administrator will explore with interested Governments the possibility of their eventual participation in particular studies.

28. Recognizing the emerging importance of aquaculture, UNDP, FAO and the Government of Norway, early in 1984 agreed to conduct jointly a thematic evaluation of aquaculture. The evaluation would be conducted in three phases over a period of 18 months and involve desk studies as well as studies in the field. The principal justification for this effort is the expectation that both multilateral and bilateral aid agencies will be involved in an increasing

number of aquaculture projects, and that a scrutiny of completed and ongoing aquaculture projects will yield valuable lessons to be applied in the selection, design and implementation of future aquaculture projects. It is also intended that the evaluation should examine the UNDP/FAO strategy for supporting aquaculture development. This strategy emanated from the Kyoto World Conference on Aquaculture in 1976 and can be summarized as follows: large-scale application of known technology; training of core personnel; and multidisciplinary systems-oriented research.

29. The evaluation commenced on schedule in mid-September 1984. Phase I, the desk study of 114 projects with a total cost of \$36 million (84 financed by UNDP, 17 by the Technical Co-operation Programme of FAO and 13 supported by other multi-bilateral trust funds), was carried out by FAO, has been completed and issues have been identified for further follow-up at the field level. The field missions which will commence their work in the first quarter of 1985 are expected to have completed their work by the third quarter of 1985; a synthesis of their findings on these visits will be prepared in late 1985.

30. The thematic evaluation on the generalized system of preferences (GSP) commenced its desk study, also on schedule, in January 1985. Since 1971, UNDP has responded to the manifest need for technical assistance in this area from the inception of the adoption of the GSP system in 1970. A thematic evaluation, therefore, appears timely and the experience derived from this exercise should help in the planning and implementation of current and future technical co-operation activities in this and related fields. The GSP system represents the largest tariff liberalization ever accomplished in favour of developing countries. The negotiations leading to its adoption took nearly a decade. Strong interest had, therefore, been expressed by the international community to ensure optimal utilization of its benefits. The GSP programme appears to be an interesting example of bilateral and multilateral inputs being combined in a comprehensive package of assistance. This modality is also a topic deserving attention and review.

31. The study design for the proposed thematic study on projects supporting small enterprises should be ready for review in the first half of 1985. Actively collaborating with UNDP on this study are UNIDO, the ILO and the Government of the Netherlands.

32. Preliminary discussions have been held with the World Meteorological Organization (WMO) on a thematic evaluation of the agro-meteorology sector for commencement sometime in 1986. A study design will be elaborated in 1985.

Ex-post evaluations

33. The first ex-post study (of a thematic nature) to be conducted by CEO relates to the use of meteorological equipment provided to UNDP/WMO-assisted projects. Over the past decade, such assistance covering some 361 projects in 105 countries totalled almost \$100 million. In the last five years, approximately one third of project funding has been allocated to financing equipment.

34. Obviously, UNDP and WMO remain interested in the optimal use of such equipment once project activities cease. There are in particular three areas

of special interest: (a) the initial selection of project targets in the sector and their design in terms of government and UNDP commitments; (b) the selection, specification, procurement, delivery, installation and initial operation of such equipment as may fall within WMO's responsibility; and (c) the continuous, long-term operation and maintenance of such equipment as permanent functions of the institution that received the equipment.

35. The ex-post study is being carried out in three inter-related phases, to be completed in the second half of 1985. The phases include: (a) desk studies of a selected sample of about 30 projects, (b) field studies of a selected sample of about 10 projects, and (c) synthesis of the results for the preparation of the report. All projects in the samples would have concluded in the last three to six years.

36. Two constraints limit the Administrator in expanding plans for more ex-post evaluations of individual or clusters of projects. The first is a shortage of the human resources available to undertake such work, given the many demands on CEO. A more binding constraint is lack of budgetary provision. Accordingly, and mindful of the Council's decision 83/12 concerning the note by the Administrator on arrangements for the evaluation of the results and of the effectiveness of the Programme (DP/1983/ICW/6 which foresaw in paragraph 43 the introduction of ex-post evaluation on a selective basis), the Administrator proposes an increase in Special Programme Resources in the fourth programming cycle to include the financing of ex-post evaluations of projects (see DP/1985/1/Add.1 paragraph 15).

V. CENTRAL EVALUATION AUTHORITIES OF GOVERNMENTS

37. Two specific issues can be identified in the UNDP efforts to assist Governments in stressing their evaluation capacity. The first concern relates directly to ensuring a greater participation of Governments in the monitoring and evaluation of UNDP-assisted projects and ensuring that Governments have a fuller understanding of UNDP policies and procedures. In this context, the Administrator is fully cognizant of the increasingly greater involvement of Governments in the management of UNDP-assisted programmes and projects. The furthering of this process of greater sharing in the active management of projects will naturally call upon Governments to participate in the monitoring, internal evaluation and in-depth evaluation process, thus rendering the entire evaluation process of UNDP more complete. In this regard, every effort is being made to identify training programmes for government personnel to be conducted in the near future.

38. The second concern involves strengthening the capacity of Governments to monitor and evaluate their own development programmes and projects. It is addressed through UNDP's response to several opportunities for financing technical co-operation in this regard. Earlier comments in DP/1984/18 that a majority of projects in this field emphasize the planning and appraisal aspects of development administration continue to be relevant. As the projects progress, they may seek to restore the balance in favour of evaluation activities. It is, however, important then to ensure that such activities serve Governments' needs. In order to assist in ensuring that these projects achieve the objectives intended, a review of their

implementation has been planned for 1985. This review is intended to cover a predominant portion of the projects which are carried out in Africa. The outcome of this review should provide substantive lessons for future design and implementation of the projects in this field.

39. UNDP again recognizes the efforts of many donor partners and multilateral funding institutions in enhancing recipient evaluation capacities and, wherever possible, has initiated joint programmes and efforts to develop self-reliant approaches to monitoring and evaluation as an important dimension of aid co-ordination. A sub-committee of the Inter-Agency Working Group on Evaluation is being formed to consider joint efforts in this field. The work of this sub-committee will be generally facilitated by the findings and recommendations of the Joint Inspection Unit study on United Nations system co-operation in developing evaluation by Governments (JIU/REP/82/12). The Secretary-General's comments on the study (A/38/333/Add. 1) noted in paragraph 7 the importance attached by the Inspectors to the potential leadership role of UNDP in this endeavour

VI. FOLLOW-UP TO EVALUATION OF THE UNDP-FINANCED TECHNICAL CO-OPERATION ACTIVITIES OF UNIDO IN THE FIELD OF MANUFACTURES

Introduction

40. At its organizational meeting in February 1984, the Governing Council by decision 84/2, having taken note of the report of the Administrator concerning the findings and recommendations of the evaluation staff report on the joint United Nations/UNDP/UNIDO in-depth evaluation of the technical co-operation activities of UNIDO in the field of manufactures (DP/1984/1) and of the views expressed by delegations, decided to transmit the report of the Administrator and the views of delegations to the Committee for Programme and Co-ordination (CPC) at its twenty-fourth session. The Council also decided to examine the Administrator's report further at its thirty-first session, June 1984, in the light of the subsequent recommendations and observations of CPC. The Governing Council also requested the Administrator to report to CPC and the Council on the actions already taken or his recommendations for action, in respect of each separate recommendation contained in the staff report. The second report of the Administrator (DP/1984/68), in response to the recommendations of the staff report specifically addressed to UNDP, identified four categories of recommendations:

(a) Those which were being implemented under current policies and procedures;

(b) Those consistent with current policies and procedures which could be applied more forcefully;

(c) Those accepted for future implementation; and

(d) Those which were not accepted.

The Administrator in chapter II of DP/1984/68 had proposed actions in response to each separate recommendation contained in the staff report. He had assured

the completion of a Programme Advisory Note on manufactures projects to deal with issues, problem analysis and baseline data development to clarify standards for project design. The Administrator's report also drew attention to all aspects of project design and formulation highlighted by the staff report and also dealt with training of all involved staff. The issue of considering possibilities for extending further training to personnel in Governments and the agencies was also raised. CPC, therefore, had before it the two reports of the Administrator and the views expressed by delegations at the organizational meeting of the Governing Council.

41. CPC at its twenty-fourth session, 23 April to 1 June 1984, considered the comprehensive report of the Secretary-General on the evaluation of the UNDP-financed technical co-operation activities of UNIDO in the field of manufactures (E/AC.51/1984/7 and Corr. 1 and Add.1), inter alia, in the light of the comments made by the Governing Council on the report of the Administrator (DP/1984/1) at its organizational meeting, 22-23 February 1984. CPC also took into account the comments of the Permanent Committee of the Industrial Development Board of UNIDO at its twentieth session (28 November to 2 December 1983) on the report of the Secretariat of UNIDO (ID/B/C.3/122).

Governing Council decision 84/15

42. At its thirty-first session in June 1984, the Governing Council by its decision 84/15 endorsed the course of action proposed by the Administrator in Chapter II of DP/1984/68. Before doing so, the Council had been informed of the deliberations and the decisions of CPC which had just concluded its meetings.

Economic and Social Council resolution 1984/61 A, section V

43. Subsequent to the adoption of this decision by the Governing Council, the Economic and Social Council at its second regular session, 1984, considered the report of CPC and adopted resolution 1984/61A, section V on evaluation of UNDP-financed technical co-operation activities of UNIDO in the field of manufactures. The resolution follows the same sequence as the recommendations contained in the report of the Secretary-General to CPC (E/AC.51/1984/7 and Corr.1 and Add.1). The resolution, after taking note of actions already in hand preceding the staff evaluation report, also takes note of decision 84/15 of the Governing Council referred to above. Paragraphs 3 to 6 of the resolution of the Economic and Social Council are summarized below with a brief reference to the subject matter being referred to in the Secretary-General's report.

44. Section V, paragraph 3(a) of the resolution calls on the Governing Council to ensure the systematic implementation of the recommendations contained in paragraph 79 of the report of the Secretary-General. Recommendations in paragraph 79 are stated to have already been implemented prior to the staff report on the manufactures study.

45. Paragraph 3(b) of the resolution calls on the Governing Council to adopt and implement a recommendation referred to in paragraph 81 of the Secretary-General's report, which is as follows: "81(a)(i): Training in project design and methodology should be intensified." The

Secretary-General's report interprets UNDP's response as having been that such training is feasible, but existing resources are not sufficient to carry it out.

46. Paragraph 3(c) of the Economic and Social Council resolution invites the Governing Council to give careful consideration to a number of recommendations in paragraphs 82 and 84 to 87 of the Secretary-General's report. Of particular significance are those recommendations:

(a) Requiring the attention of governing bodies and member States, such as those encouraging Governments to seek technical assistance and advice from UNDP and UNIDO in preparing country programmes, strengthening industrial research, and those changes requiring additional resources (recommendations contained in paragraph 82); and

(b) Dealing with recruitment and staffing issues and redefinition of responsibilities within UNDP (recommendations contained in paragraph 84).

The paragraph also called on the Governing Council to attend to recommendations concerning project design to which, it was asserted, UNDP had not responded: namely, formulation and use of indicators, establishment of simple procedures for the revision of project design, formulation and monitoring of project hypotheses and project information and redesign of reporting systems (recommendations contained in paragraph 87).

47. In paragraph 3(d) of the Economic and Social Council resolution, the Governing Council was invited to request UNDP to report on recommendations relevant to all aspects of project identification, formulation and design, including those mentioned above (recommendations contained in paragraphs 83 and 87). The resolution in paragraph 3(e) also invited the Governing Council to request UNDP to continue efforts to improve its evaluation methodology. (Chapter I of this report to the Governing Council deals with this issue). Paragraph 3(f) of the resolution invites the Governing Council to study regularly the means likely to strengthen further the effectiveness and impact of technical co-operation activities in the manufactures sector.

48. Paragraph 4 of the resolution invites the Governing Council to include the manufactures study on the agenda of the thirty-second session. To this end, this response to the Economic and Social Council resolution, given below in paragraphs 51 to 59, has been prepared for the consideration of the Governing Council.

49. Paragraph 5 requests the Secretary-General to report to the Economic and Social Council at its second regular session in 1987, through the Committee for Programme and Co-ordination, on the implementation of and follow-up to the recommendations referred to above. (UNDP takes note of this request and is prepared to report accordingly, subject to the confirmation of the Governing Council.)

50. Finally, paragraph 6 invites member States to give careful consideration to the recommendations referred to in paragraphs 80 and 82 of the Secretary-General's report. The former deals with recommendations being implemented pursuant to the staff report and the latter refers to recommendations requiring the attention of governing bodies.

UNDP's response

51. The Administrator has carefully examined the entirety of Economic and Social Council resolution 1984/61 A, section V, and finds that the action plan previously proposed to the Governing Council and accepted by it for implementation is consonant with the substantive thrusts of the resolution. The second report of the Administrator (DP/1984/68) in response to the recommendations of the staff report listed precise references to UNDP policies, procedures and guiding legislation so that actions already taken and in force could be distinguished from either those which existed but needed more forceful application or did not exist and needed to be developed. The preparation of the Programme Advisory Note in full collaboration with UNIDO was to proceed beyond existing general guidelines to those specifically applicable to the industrial sector. Many of the substantive demands flowing from the staff report's recommendations have been responded to in the structure and content of the Programme Advisory Note.

52. In responding to the recommendations of the staff report, the Administrator has been continually aware of the constraints which operate on UNDP in its mandate or role or in its resource deployment. In his first report (DP/1984/1) the Administrator had already specified that any changes in procedures would be made without requesting additional resources. The concurrence with one of the recommendations which called for a comprehensive environmental/industrialization/capacity analysis for each project was carefully qualified by a cautionary statement referring to the size and scope of the particular industrial intervention.

53. The commitments made in the action plan endorsed by the Governing Council have all been fully addressed and either have been implemented or are under implementation.

54. The Programme Advisory Note on Manufactures Projects was completed in December 1984 with the full support of UNIDO, and shortly thereafter published and distributed to staff throughout the field networks of UNDP and UNIDO and, of particular significance, to officials in the planning and industry ministries in the various developing countries concerned. The Programme Advisory Note, which is similar to the pre-edited draft version made available to the Governing Council in June 1984, is 81 pages long (a typical Note in the past has been 15-30 pages). It consists of a general approach, and describes analytic frameworks for 37 of the most frequent manufactures projects. The Note will be used for guidance in formulation, appraisal, quality control and evaluation approaches, and will be added to and updated as experience is gained.

55. The Project Formulation Guidelines are also being examined and discussed. The underlying concepts being observed in this extremely crucial and complicated task have already been described in DP/1984/1 (paragraph 41) and DP/1984/68 (paragraph 66). While the focus of the analytic processes and what they seek to prescribe (output, objectives, base line data, etc.) needs to be updated and sharpened, they must be supplemented over the next several years by a body of new materials for special applications to particular kinds of projects.

56. Similarly, UNDP's training activities in the area of programming have been extensively reviewed, from the point of view of relating them more closely to the analytic concepts referred to, and from the point of view of extending them successfully to all staff, without exception, who are involved in the project cycle and its management.

57. In this connection, paragraph 3(b) of Economic and Social Council resolution 1984/61 A, section V, referred to paragraph 81 of the Secretary-General's report which interpreted UNDP's response with respect to training as being that relevant recommendations were valid but that existing resources were not sufficient. This is not a strict reading of the Administrator's position, as indicated in paragraph 6 above. He intends to make all appropriate changes and improvements within presently foreseeable financial limits; accordingly, UNDP's actual position on the intensification of training is that appropriate activities will be undertaken as resources permit.

58. The attention of the Governing Council was called to recommendations (described in paragraph 46 above) to which it was asserted that there was no response. These recommendations derived from paragraph 262 of the staff report and were responded to in the overall context of the section on project design and implementation in DP/1984/1 (notably in paragraphs 41-45) and in DP/1984/68 (paragraphs 65 and 66), where UNDP recognized the recommendations' importance by including them in the follow-up actions regarding the future formulation of instructions and training. The recommendation relating to the redesign of the project information and reporting system is dealt with in paragraph 43 of DP/1984/1 and in paragraphs 50-52 of DP/1984/68. In all cases, the appropriate revision of the Project Formulation Guidelines was agreed to. The new draft revision of the monitoring, reporting and evaluation sections of the UNDP Policies and Procedures Manual (referred to in paragraph 3 above) has also extensively dealt with improved reporting systems, the emphasis on project design elements and the need for a results-oriented approach.

59. The issues raised by the staff report have been and will continue to be those which must be continuously attended to in the management of a quality programme. They have been brought to the attention of the Council in the past. They manifest themselves in all sectors and in many of the programmes administered. The issues also involve a co-operative effort engaging the best efforts of our many partners. In full recognition of the fact that these considerations are fundamental, the Administrator wishes to assure the Governing Council that fullest attention is being given to all those recommendations which are within the mandate of UNDP to implement. Recommendations applicable to Governments have been drawn to the attention of the Council. He will ensure that the applicable recommendations, whether they are being implemented or are under development, will be systematically monitored and that appropriate follow-up will be pursued actively.

