

Context

Mandate: The United Nations Development Programme (UNDP) works at the heart of the UN development system, and is the leading advocate for the MDGs. It focuses on institutional and capacity development of national partners in five areas – poverty reduction and the MDGs, democratic governance, energy and environment, crisis prevention/recovery and HIV/AIDS. UNDP has special responsibilities within the UN family where it has a coordinating role in the wider group of UN agencies involved in development, via the UN Development Group.

Size: UNDP is the UN's largest operational agency, as it is on the ground in 166 countries with a current staffing level of over 8,500 (of which 64% are national staff). Its total resources contributions in 2005 amounted to US\$4.8 billion, of which US\$914 million was regular resources (core).

Key Issues: UNDP is integral to UN reform processes, and has been leading efforts to improve coherence and co-ordination of UN Country Teams. This includes supporting Joint UN offices and One UN pilots, strengthening the role and coordination capacity of the RC, and promoting knowledge networking within the wider UN system. These issues have been addressed by the High Level Panel on UN System-Wide Coherence (HLP). The Panel has recommended that UNDP create an institutional 'firewall' to separate the management of the RC system from the management of UNDP country programme operations. This will mean a clear repositioning of UNDP along with a code of conduct that will regulate this separation of responsibilities. The Panel also recommends that UNDP "withdraw from sector-focused policy and capacity work for which other UN entities have competencies" and limit its programmatic work "to interventions that strengthens the coherence and overall positioning of the UNCT".²

UNDP is renewing its oversight and accountability arrangements to strengthen governance as part of its new Strategic Plan. An independent audit advisory committee has been appointed and a new accounting framework will be developed taking into account UNDP's management and oversight roles in difficult environments. An external review of audit in DPRK will report to the Board in January 2008 and management recommendations will be included in the new accounting framework. Other key issues to be addressed include the overlap in some mandate areas with IFIs, and the lack of integration into UNDP of BCPR.

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Is UNDP BUILDING FOR THE FUTURE?

Summary UNDP is at the forefront of UN Reform, and has taken steps to restructure with the appointment of Country Directors. UNDP has a comprehensive reservoir of knowledge about development and this is invested in global development networks that collect and share the information widely. It is important that the new Strategic Plan (SP) for 2008-11 takes account of UNDP's performance, results and lessons learned from the Multi-Year Funding Framework for 2004-07, as well as of UNDP's future place in the international architecture. The Global Staff Survey indicates widely positive perceptions about the management and direction of UNDP.

Commitment to Continual Improvement

How committed is UNDP to UN reform?

✓ The Administrator has signaled his clear commitment to reform. ¹ The Associate Administrator is responsible for most of the day to day management of the organisation, allowing the Administrator to concentrate on reform and system-wide co-ordination issues. Similarly, UNDP has appointed a number of country directors responsible for the day-to-day management of UNDP, allowing Resident Coordinators (RCs) to concentrate on their system-wide coordination role. The HLP has recommended a clear separation between UNDP's support to the RC system and its programming role, which should be scaled back to areas of comparative advantage. ² This presents significant challenges for UNDP, and deliberations continue as to how the organisation will take this forward.

Does the Board require management to act on performance results?

✓ Yes, the Executive Board requires UNDP management responses to evaluations, audits and related queries. ³

Building Knowledge and Lesson Learning

Does UNDP have adequate mechanisms for spreading lesson learning?

✓ Yes, UNDP has knowledge tools generated by the Evaluation Office such as the Evaluation Resource Centre (database of evaluations) and an evaluation network (EVALNET), 25 Knowledge Networks and 9 Sub-Regional Resource Facilities (SURFs). UNDP is also chair of the United Nations Evaluation Group, which shares lessons with 33 UN agencies. ³

Results Based Management

To what extent does UNDP manage by results?

⇔ UNDP has put improved RBM systems in place over the last few years. It reports at country level through the Results-Oriented Annual Report (ROAR), and reports annually to the Executive Board through the MYFF. The Balanced Scorecard, which feeds into the MYFF, has a set of SMART indicators against which targets are set on an annual basis. ³ However, more work needs to be done and UNDP is committed to adjusting its new SP (2008-2011) to further improve performance and results reporting. ¹

Staff Development

What is the level of staff satisfaction?

✓ The 2005 Global Staff Survey, with a record number of respondents (over 6400), showed a positive response to many key questions. For example, 87% were proud to work for UNDP; 76% felt men and women received equal treatment; 69% felt the management team provides direction and leadership; and 74% would recommend UNDP as a good place to work. ⁹

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How well is UNDP *MANAGING* its *RESOURCES*?

Summary The effectiveness of the UN development effort is undermined by the proliferation of institutions competing for funding from a large number of unpredictable sources each with their own conditions on how and when the funds can be used. But UNDP has made good progress in managing its resources activities and processes and in moving towards a more unified UN representation at the country level. For UNDP to maintain its leadership role, it must clearly demonstrate that it is fully equipped and organised to support and lead the UN system in assisting programme countries to achieve the MDGs. It is making progress in terms of staff management and managing for results. But there are concerns that it isn't easy to obtain clear information about the proportion of unspent resources, level of administration costs, and commitment to efficiency targets.

Corporate Governance and Strategy

Is UNDP's corporate strategy based on a clear definition of mandate and comparative advantage?

✓ The Multi Year Funding Framework (MYFF) 2004-2007 defines UNDP's programme focus through five strategic goals. Selection of service lines involved the analysis in light of specific criteria that demonstrates record of results; contribution to advancing the MDGs; existing institutional capacity and ability to mobilize further capacities; special mandate assigned to UNDP within the UN system; resource mobilization potential; and value of UNDP country network, supported by Sub-Regional Resource Facilities and headquarters.³

× However the MYFF has a very broad remit and UNDP's strengths are not uniform.⁴ A possible lack of strategic focus might be underpinned by a tendency to value and prioritise resource mobilisation at the country level.⁵ UNDP's strategy and focus will have to change considerably if the recommendations of the HLP are fully implemented – this will present the organisation with real challenges to how it currently works.

Resource Management

What proportion of the budget is spent against the period to which it was allocated?

× Of the core resource income in 2005 (including opening balance) of \$1109m, a balance of \$238m remained unspent. This represents 21% of the total, and is equivalent to three and a half month's expenditure. Spend or disbursement of other resources is not included in the calculation.

What proportion of total expenditure is spent on administration?

⇔ This is not clear⁶

How clear and effective are the organisation's financial management procedures?

✓ Financial management procedures appear to be quite clear, and there is no evidence of a high degree of non-compliance. The Board of Auditors report for the 2002-03 biennium made eight recommendations on financial management, including issues such as approval rules, inactive funds and Trust Fund deficits.¹⁰ The 2006 follow up report indicated that all recommendations had been implemented.¹¹

How committed is the agency to robust efficiency targets?

⇔ Efficiency targets are not in the public domain.

How well is UNDP's resource allocation criteria aligned with its corporate strategy and comparative advantage?

⇔ Of UNDP's core resource allocations to TRAC 1 and 2, 85-91% is allocated to LICs. It is not clear how UNDP allocates its expenditure across practice areas. It is a challenge to UNDP that 67% of global UNDP expenditures in surveyed 23 conflict-affected countries are non-core.¹²

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Staff Management

To what extent is staff recruitment, postings and promotions meritocratic and transparent?

✓ All posts are advertised and recruitments are based on merit.³ A new succession management policy has been designed to introduce a transparent and competitive placement process.⁷

Is there an agreed human resources strategy in support of UNDP's strategic plan?

✓ Staff undergo an annual Results Competency Assessment (RCA) endorsed by the Career Review Group (CRG) of each bureau. Rewards include accelerated promotion, staff development and windows to international positions. UNDP maintains a balanced diversity and has a commitment to explicit gender targets.³ We understand UNDP has a Human Resources Strategy for 2005-08 but we haven't been able to locate it.

Operational Management

Is UNDP sufficiently decentralised to enable it to respond flexibly to country demand?

✓ Offices are decentralised with the full-delegated responsibility of the Resident Representative.³

Does UNDP's MIS provide accurate, useful and timely information for programmatic decision-making?

✓ UNDP has introduced a balanced scorecard for organisational effectiveness which sets out indicators and targets to measure the quality of its results-based programme management.⁸ UNDP has implemented ATLAS, an enterprise resource planning system, across 143 of its 166 offices. This allows them to work on the same system and information, guaranteeing a higher level of organisational transparency.⁷

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How well is UNDP managing its *PARTNERSHIPS*?

Summary UNDP's partnerships record is very mixed with good evidence of strong partnerships with national governments (although some issues with its challenge function), but at the expense of partnerships with external development agents. Strengthening coordination capacity for the UN system at country level remains a leading challenge for UNDP. It has made some progress in alignment and harmonisation, but more needs to be done.

Voice

What mechanisms exist for developing countries to influence the strategy of UNDP?

✓ Developing countries can influence UNDP's strategy through their participation in the Executive Board.

How actively is UNDP promoting the participation of civil society?

✓ UNDP provides strong support to non-state actors in different and constructive ways to promote participation in development.⁵ It has a Civil Society Advisory Group and NGOs can also be implementing partners.

Partnership Behaviour

What mechanisms are in place to seek feedback from partners and what do the results show?

⇔ UNDP undertakes an annual Partners Survey with governments, donors, civil society, private sector, so a wide range of opinion is canvassed. But the results of the survey are not in the public domain.

How willing is UNDP to challenge and assist governments on difficult/controversial issues?

× UNDP is perceived as showing "weakness when controversial issues are at stake, and it then tends to remain silent and become less visible".⁵

Alignment

To what extent does this organisation foster government ownership through the project/programme cycle?

✓ UNDP has actively supported the national PRS (or similar) process, and provides support to national efforts to build monitoring systems and capacities for the PRS.⁵

What % aid flows to government sector is reported on national partner budgets?

⇔ There is some evidence of UNDP aiming to disburse funds through government budgets, but nervousness about accountability from a donor perspective.⁵

What % of TC flows are provided through coordinated programmes consistent with partners' national strategies?

Information not available

Does UNDP use countries' own public financial management and procurement systems?

⇔ There are instances where UNDP is beginning to align its administrative behaviour to national institutions and mechanisms, including procurement. But UNDP appears not to be as pro-active in this respect as it could be.⁵

Is the number of Project Implementation Units decreasing or non-existent?

✓ UNDP has adopted the programme approach, which is multi-sectoral, as opposed to the project approach as part of RBM and its focus on outcomes. Through National Execution, harmonised procedures and common premises, stand-alone projects are decreasing.³

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In what ways has UNDP been aligning its strategy/programme/projects with national strategies?

✓ UNDP is committed to aligning its own country strategies, programmes and projects with national strategies, and there is evidence that this is increasingly happening.⁷

Harmonisation

To what extent does UNDP participate in local donor coordination activities such as sector working groups/thematic groups?

⇔ UNDP is seen as being quite active in this respect, and coordination among UN agencies has gradually improved thanks to the introduction of e.g. the UNDAF, UN House. “The perceived performance of RCs has also improved”. However, UNDP is sometimes still seen as “*working too much in isolation* from other agencies”; RCs do not always fully take on the challenges of UN coordination; and UNDP sometimes seems to be competing with other agencies for funds and creating overlaps.⁵

To what extent does UNDP share information with other donors?

⇔ UNDP is becoming more transparent in the process of developing its country programmes, sharing documents and sometimes inviting comments on drafts. However, UNDP often limits this pro-active information sharing to its co-financing partners and potential co-financers, with fundraising being a main motive. UNDP is not perceived to be an example of good communication among wider partners. This does not mean that it “purposely or actively withholds information”, but that it tends not to share it pro-actively.⁵

What evidence is there of harmonising procurement and consulting services/procedures, disbursement policies and evaluation practices?

✓ Progress has been made in the Inter-Agency Working Group on Procurement, and common initiatives include the procurement module of Atlas (joined by 5 UN entities) and the UN Global Market place (a common supplier database used by 14 UN agencies). UNDP is fully involved in the working group and initiatives.³

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What do we know about UNDP's COUNTRY/GLOBAL RESULTS?

Summary There is limited detailed information about UNDP's impact at country level, as it does not provide a measure of outcomes achieved but rather a review of progress and contributions made by UNDP towards attaining intended outcomes established at country level with governments and other partners. But see under 'Portfolio Quality' for overall rates of achievement. Only in 2006 did UNDP set indicators to measure the quality of its programmes. UNDP's performance on the ground has improved significantly but concerns remain about country level effectiveness in some areas of its mandate. It has had some widely respected global successes such as the Human Development Report.

Country/Global Results

What information is available on UNDP's performance at country level?

⇔ The Board discusses the MYFF and the Administrator's Report on Evaluation that incorporates findings from country level, strategic and thematic evaluations, as well as Assessment of Development Results. UNDP also developed a Balanced Scorecard which tracks country programme performance against a wide range of management indicators (audit, financial, procurement, etc). As part of UNGD, UNDP has actively been involved in developing the UN Development Assistance Framework and its results matrix.³ Only in 2006 did UNDP set indicators to measure the quality of its programmes.⁸

⇔ Overall, UN agencies rank above average scores on policies and procedures on an overall ranking of donors and creditors by selected HIPC. This reflects their providing highly concessional aid in support of government priority sectors and projects; but too much is provided as project aid or technical assistance, directly to line ministries, rather than as programme support to the budget. Better predictability of resources and less cumbersome disbursement procedures would improve overall delivery.⁹

What evidence is there of the independence, credibility and utility of UNDP's own evaluations?

✓ UNDP has a well functioning Evaluation Office, which reports to the Executive Board through the Administrator. Evaluations are undertaken by independent consultants.³

What impact is UNDP having at the country level?

✓ UNDP is perceived as overall doing a reasonably good job, with its performance improving in recent years. The Resident Coordinator function is "proving extremely valuable" even "under very difficult circumstances", particularly since the introduction of the new management arrangements.⁵ Depending on which country UNDP's performance is looked at, various areas appear as particular strengths, among them promotion of policy dialogue, capacity building, governance, as well as HIV/AIDS, justice, and mine action.⁵ UNDP played a key role in recent difficult election processes in Iraq, Afghanistan, DRC and Liberia.^{7, 13} These elections have been internationally recognised as being very effectively implemented with wide voter participation. UNDP appears to have developed a niche expertise in Disarmament, Demobilisation and Reintegration, Security Sector Reform, and restoration of state authority and governance capacity building.¹² The Inter-Departmental Framework for Coordination on Early Warning and Preventative Action (the Framework Team) has proved an effective means of coordinating joint analysis of threats to peace and helping adjust in-country UN programmes to tackle them.¹²

What impact is UNDP having at the global level?

✓ Through the Human Development Report process, UNDP efficiently stimulates public debate on policy issues, especially considering its broad dissemination of national-level versions of the report. The HDR reaches down to the grassroots and contributes to raising and deepening awareness of economic and social inequalities. Such publications are usually given considerable attention by governments.⁵ Other important global successes have been MDG monitoring and reporting.

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Portfolio Quality

What is the % of projects/programmes which met their targets?

✓ In 2005, all 135 country programmes were working in the practice areas of 'Poverty' and 'Democratic Governance'; the 'Energy and environment' practice served 123 programme countries; 90 country programmes were involved in 'HIV/AIDS'; and 83 of the 135 country offices were working on 'Crises prevention and recovery'.⁶ 2005 data reveals that 96% of country programmes either fully or partially met their programme targets. The HIV/AIDS practice had the highest % of fully achieved targets, and energy and the environment having the lowest % of fully achieved targets.⁶ This data has not been verified objectively.

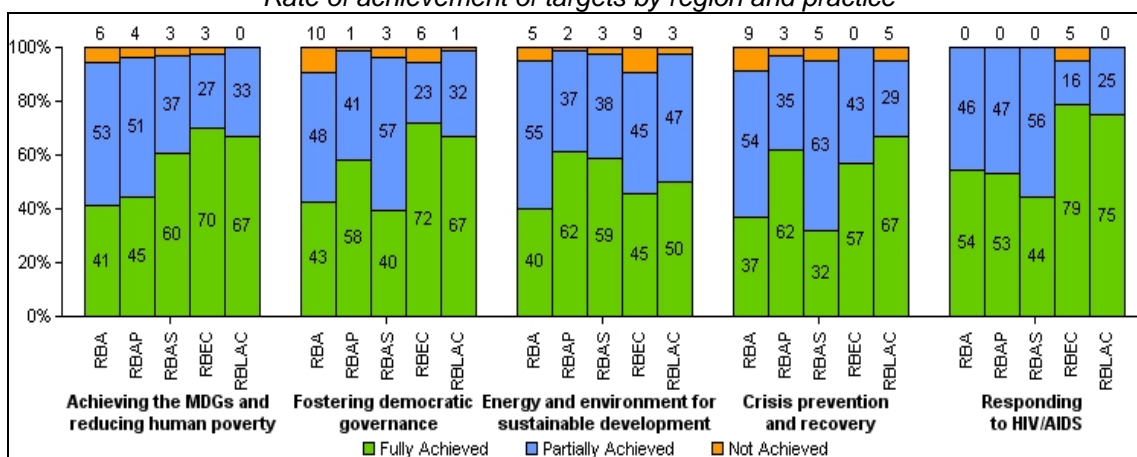
Rates of achievement of targets, by practice

Practice area	Fully achieved	Partially achieved	Not achieved
Poverty	54%	43%	3%
Democratic governance	55%	40%	5%
Energy and the environment	50%	46%	4%
Crisis prevention and recovery	51%	44%	5%
HIV/AIDS	61%	38%	1%
Average	54%	42%	4%

How does this vary across sectors, regions and countries?

⇔ The rate of achievement of targets tends to be lower in Africa across the practices.⁶ This data has not been verified objectively.

Rate of achievement of targets by region and practice



RBA = Regional Bureau (RB) Africa
 RBAP = RB Asia and Pacific
 RBAS = RB Arab States

RBEC = RB European Community
 RBLAC = RB Latin America and Caribbean

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13. UNDP Newsroom, website

Background This fact sheet is designed to summarise information available on the effectiveness of UNDP. It collates the latest published information in four key areas from a variety of sources including the Multilateral Effectiveness Framework (MEFF) ³, the Multilateral Organisations Performance Assessment Network (MOPAN) ⁵ as well as a range of UNDP's own Annual Reporting ⁶⁻⁸ and assesses areas of strength (✓) and weakness (✗) and where progress is mixed (↔).

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