



24 April 2018

UNFPA management response
to
Annual report on the evaluation function, 2017
Report of the Director, Evaluation Office
(DP/FPA/2018/5)

Agenda item 12: UNFPA – Evaluation

Executive Board of UNDP, UNFPA and UNOPS
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Overall management response

1. UNFPA management is pleased to present its response to the annual report of the Director of the Evaluation Office on the evaluation function for 2017 (DP/FPA/2018/5), in line with the goals of the UNFPA Evaluation Policy (DP/FPA/2013/5).
2. Management acknowledges the progress made by the Evaluation Office in addressing the concerns and recommendations presented in the management responses to the 2015 and 2016 annual reports on the Evaluation, specifically with reference to the quadrennial budgeted evaluation plan, the analysis of the evaluation function performance, and alignment of the evaluation function to organizational strategic goals.
3. In the present response, management will specifically refer to the key evaluation-related efforts and achievements that supported evidence-based decision-making, strengthening of the knowledge base of the organization, and accountability, in the following areas:
 - I. Activities performed by the Evaluation Office in support of Agenda 2030;
 - II. Alignment of evaluation function to strategic goals and adherence to the United Nations Evaluation Group (UNEG) norms;
 - III. Performance of the evaluation function;
 - IV. Use of evaluation to foster change; and
 - V. Decentralized evaluation system.

I. Activities performed by the Evaluation Office in support of Agenda 2030

4. Management notes the positive trend in the number and variety of joint evaluations, recognizing that such collaborative engagements are important instruments for assessing the effectiveness of joint approaches in achieving results, and should be continued to foster coherence and synergies among the agencies, funds and programmes of the United Nations development system.
5. Noting the contribution of the Evaluation Office to the initiatives led by UNEG, the Inter-agency Humanitarian Evaluation Group, and the Joint Inspection Unit, management acknowledges the strategic importance of this collaboration in achieving coherence of the evaluation functions within the UN system.
6. Management recognizes the contribution of the UNFPA Evaluation Office to the United Nations system-wide evaluations, especially to the evaluation of the UN system response to humanitarian crisis and gender-based violence, and supports Evaluation Office efforts to integrate good practices and experiences generated by the UN system-wide evaluations into the institutional strengthening of UNFPA. Management is keen to learn about lessons learned and progress achieved in making joint programmes more coherent, efficient, relevant and sustainable in national contexts. Management notes, and further encourages, the Evaluation Office's engagement in multi-stakeholder partnerships in order to strengthen national capacities to evaluate progress made in delivering the 2030 Agenda for Sustainable Development and achieving the Sustainable Development Goals, and looks forward to learning about the impact of this collaboration.

II. Alignment of evaluation function to strategic goals and adherence to the United Nations Evaluation Group (UNEG) norms

7. UNFPA management acknowledges the progress that the Evaluation Office has made in producing key documents that set a clear direction for the evaluation function's support to the implementation of the UNFPA Strategic Plan, 2018-2021 – e.g. the quadrennial budgeted evaluation plan for 2018-2021, adopted by the Executive Board at its first regular session in 2018, and the evaluation strategy, 2018-2021, complemented by an action plan for the evaluation capacity development during 2018-2021.
8. UNFPA management appreciates that both documents take into account lessons learned, challenges and recurrent issues emerging from the trends analysis of the evaluation function in previous years. The evaluation plan now includes a 2020-2021 period, thus aligning it with the UNFPA Strategic Plan, 2018-2021, which aligns with the 2030 Agenda for Sustainable Development. UNFPA management especially welcomes the Evaluation Office's efforts to prepare the evaluation plan through a transparent and consultative process, engaging the Executive Committee and programme managers at headquarters and field offices.
9. Management supports the selection of corporate and programme-level (decentralized) evaluations, which will inform the implementation of the strategic plan in all four outcome areas, and other strategic areas for which further evaluative evidence is needed to facilitate decision-making. The plan now covers organizational effectiveness and efficiency in planning, programming, budgeting, achieving better results, and the integration of humanitarian work in development.
10. UNFPA welcomes the results of the *external independent review of UNFPA evaluation function* as an opportunity to take stock of the relevance, credibility and effectiveness of the evaluation function against the UNEG norms and standards; and its role and value for the implementation of the organizational mandate. The consultative process of the review made it a valuable learning opportunity not only for the Evaluation Office but also for the organization at large. The review proposes key steps on how to strengthen the independence and credibility of evaluation function in line with professional standards, and improve the ability of the evaluation to contribute effectively to the achievement of development results across the organization. UNFPA accepts all recommendations of the review and commits to their timely implementation.
11. In line with the recommendations of the review, management will work closely with the Evaluation Office on the update of the evaluation policy to ensure that it takes full account of: (a) analysis of the implementation of the current policy, including institutional lessons gained since 2013; (b) recommendations from relevant external reviews and assessments, including the recent MOPAN assessment of UNFPA, JIU, and peer reviews; (c) requirements of the decentralized structure of the organization; (d) developments within

UNFPA, including the priorities of the strategic plan, and changes in the UN system and global contexts; and (e) consultations with the Executive Board and relevant UNFPA staff at all levels.

12. The updated evaluation policy shall: (a) define clearly the accountability framework for evaluation; (b) establish clear technical and administrative reporting lines for the key programme, monitoring and evaluation staff at the regional, country and headquarters levels; (c) and identify criteria for resourcing of evaluation and make provisions to meet the target of programme expenditure on evaluation based on the analysis of needs and cost-effectiveness. Furthermore, the policy should set complementary measures to address the need for synergies and coordination between audit, evaluation, knowledge management and data development, as a critical element of coherent learning and evidence-generation in a knowledge-based organization.
13. The evaluation strategy and the action plan 2018-2021 includes systematic and practical initiatives for strengthening evaluation capacity at all levels of the organization, and further professionalization of the evaluation function. The proposed changes to the evaluation policy will ensure the improved selection, timeliness, quality and use of evaluations at corporate, regional and country-office levels. Relevant guidelines, handbooks and tools will be updated, as necessary, in conformity with the revised policy.
14. Management is committed to supporting the Evaluation Office in addressing the issues with regard to the evaluation methodology, analysis, conclusions and communication of recommendations, as well as the clarity and quality of Evaluation Office reporting to the Board, especially on strategic management and emerging issues, and sharing key evaluation findings of corporate relevance. Towards this goal, the relationships and communication between the evaluation team, UNFPA management, and the regional and country monitoring and evaluation staff will be further improved and strengthened.

III. Performance of the evaluation function

15. Management takes note of the overall positive and stable improvement in key evaluation performance indicators in 2013-2017,¹ specifically in *quality of evaluation reports (#5)*, the *rate of completed evaluation reports shared through the evaluation database (#6)*, and the *availability (#7) and the implementation rate of management responses (#8)*, which was highest in 2017 during the past five years. The 100 per cent submission rate of management responses and the significant improvement in the implementation rate of evaluation recommendations, from 61 per cent in 2013 to 84 per cent in 2017, is a result of consistent follow-up with all units across the organization and the work undertaken to increase monitoring and evaluation capacities at the country office level since 2016.

¹ Trends in key performance indicators, 2013-2017, Annual report on the evaluation function, 2017, Report of the Director, Evaluation Office

16. Management is pleased to acknowledge the improvement in *human resources devoted to monitoring and evaluation (#2)* in the country and regional offices, and commits to continuous efforts to ensure further improvement.
17. Management agrees with the Evaluation Office that the *evaluation coverage*, i.e. percentage of planned country programme evaluations, conducted once every two cycles (#3), and the *implementation of planned evaluations* (#4) should be strengthened. In 2017, most cancellations of decentralized evaluations occurred at the country level, with a significant proportion at the regional level. Some were due to valid programmatic reasons, e.g. replacement with an evaluation of the United Nations Development Assistance Framework, country programme extensions, or re-programming. However, a significant proportion of country programme evaluations were cancelled due to financial and human resources constraints. UNFPA management, in partnership with the Evaluation Office, is addressing these bottlenecks in a holistic and strategic manner. Planning, commissioning and management of evaluations, especially those that are decentralized, will be closely followed up to ensure that responsible units are supported to conduct all planned evaluations in accordance with the 2018 evaluation plan.
18. With regard to *funding for planned evaluations (#1)*, the achievement of the annual target was affected by austerity measures taken in 2017. Management agrees, however, that expanding various funding strategies, specifically combining institutional budget allocations, non-core contributions and voluntary support, will be necessary to ensure a gradual increase in funding. Evaluation Office will update the Board, in its next annual report, on the outcomes of the above-mentioned strategies. Management is confident that improved tagging of the evaluation activities in the Global Programming System in 2018 will give more accurate data on programme resources allocated to evaluation work, including for decentralized evaluations.

IV. Use of evaluation to foster change

19. Management notes an increase in corporate-level evaluations in 2017, which required effective coordination and follow-up. The Programme Division worked on strengthening partnerships with the Evaluation Office, regional monitoring and evaluation advisors, and other headquarters-based units to ensure close collaboration, complementarity and shared accountability of implementation of evaluation recommendations.
20. Noting the wealth of information produced by the corporate-level evaluations and studies commissioned by the Evaluation Office, management particularly welcomes the findings of three evaluations: (a) *evaluation of the architecture supporting the operationalization of the UNFPA Strategic Plan (2014-2017)*; (b) *evaluation of UNFPA support to population and housing census data to inform decision-making and policy formulation (2005-2014)*; and (c) *formative evaluation of the UNFPA Innovation Initiative (2014-2016)*.
21. In response to the findings and recommendations of *the evaluation of the architecture*

supporting the operationalization of the UNFPA Strategic Plan (2014-2017), management confirms that UNFPA took responsive and transformative actions to develop, roll out, communicate and implement the strategic plan. UNFPA refined the business model and introduced more flexibility to enable country programmes to implement solutions tailored to country needs and national priorities.

22. In addition, the following programme tools were developed:
- Theories of change to help country programmes identify transformative results, programme results chains, pathways to deliver the results, and critical assumptions and programme strategies;
 - Output operationalization tool to facilitate planning and monitoring of country programme multi-year results and resources targets;
 - Compact of commitment, as internal management accountability tool, to enable country offices to formulate a “compact of commitment” around the transformative results indicator(s);
 - Resource allocation and distribution tool to enable UNFPA to effectively use its regular resources to deliver upstream results and leverage other resources for achieving transformative results; and
 - Refined mechanism for quality assurance of country programme documents to ensure alignment to strategic direction, results-based management and evidence-based programming, technical robustness, and adequate management and operations structure.
23. As informed by the evaluation recommendations, UNFPA established a comprehensive change management process in order to fully implement the 2018-2021 Strategic Plan, contribute to the achievement of the Sustainable Development Goals, and respond to the Secretary-General’s reform agenda. Built on ongoing initiatives, the change management process aims to catalyse corporate change to ensure optimal deployment of resources, avoid overlapping processes, and ensure systematic follow-up and coherence. UNFPA prepared and disseminated guidance on the new approaches and strategic direction introduced by the strategic plan. Prominent among these changes is a call to focus the minds and actions of all staff on the 2030 Agenda and, specifically, on the strategic plan’s goal, and three transformative results that UNFPA committed to, namely: end maternal mortality, end unmet need for family planning, and end gender-based violence and harmful practices.

The evaluation of UNFPA support to population and housing census data to inform decision-making and policy formulation (2005-2014) provided the foundation for the UNFPA Strategy for the 2020 Round of Censuses. The strategy provides teams at headquarter, regional and country levels with key elements to strengthen national capacity to generate, analyse, disseminate and use high quality, timely, relevant and disaggregated census data to inform sustainable development policies, plans and programs, their monitoring and evaluation for the public good. Four main pillars of work have been defined in the strategy:

- (a) *modernization*, with UNFPA advocating for the use of high resolution GIS data in all censuses, ensuring that the collected census data will be of highest quality possible, and that it can be disaggregated and georeferenced by lowest geographic locations, and advocating for the collection of geocoded census at household level;
 - (b) *utilization*, with UNFPA strengthening national capacity for dissemination and sharing of georeferenced census data focusing on sub-national population projection;
 - (c) *partnership and coordination*, with UNFPA streamlining coordination within UNFPA (across different organizational units at HQ, regional and country level) and outside UNFPA, by sustaining and enhancing coordination for technical support to countries with the UN Statistical Division, the US Census Bureau and the World Bank under the newly established International Committee on Census Coordination; and
 - (d) *strengthening resource mobilization*, in which UNFPA seeks to lay out all of the work within a dedicated “Census Plus” thematic fund in support of data for development.
24. The Strategy on Census has been key to informing the development of the new strategic plan – particularly outcome 4 to ensure that everyone is counted and accounted for in the pursuit of sustainable development, which fully reflects its rationale.
25. UNFPA has embraced innovation as a corporate priority and an indispensable engine to bring about transformative change to the lives of women, girls and young people, as laid out in the Strategic Plan 2018-2021. Deepening and broadening our reach will require strengthened partnerships and innovation to leave no one behind and reaching the furthest behind first. UNFPA further recognizes that given the rapidly changing contexts and resource constraints, it is time to harness innovation that can provide breakthrough solutions for longstanding challenges to the achievement of universal sexual and reproductive health. In this regard, the findings and recommendations of the *formative evaluation of the UNFPA Innovation Initiative (2014-2016)* were used to form the basis for the corporate innovation strategy, the first of its kind for UNFPA. The operationalization of the strategy emphasizes four key pathways to promoting innovation for improved programming and results: (a) creating innovation solutions with partners to address development bottlenecks; (b) scaling up innovations that have proven to be successful; (c) partnering with innovators from the public and private sectors; and (d) institutionalizing a culture of innovation in UNFPA.

V. Decentralized evaluation system

26. Noting that only 55 per cent of the planned decentralized evaluations were commissioned, management acknowledges the joint efforts of the Evaluation Office and Programme Division to identify underlying issues affecting the ability of field offices to implement evaluations as planned, including weaknesses in internal/local evaluation capacity, management oversight, and budget constraints. Management reaffirms its commitment to strengthen further its oversight of the planning and costing of country programme evaluations through the corporate Programme Review Committee (PRC) mechanism; budgeting and implementation of evaluations, as captured in the Global Programming System; and in annual plans (*myResults*) and quarterly status reporting by the regional offices. Programme Division will work together with the Evaluation Office and regional offices to provide timely support to field offices should challenges arise.
27. Management values the conclusions of the *meta-analysis of the engagement of UNFPA in highly vulnerable contexts* and is pleased to inform that they have been used in formulating the strategic and programmatic guidance on enhancing UNFPA work across the humanitarian-development-peace nexus. Management welcomes the suggestion to produce case studies on the links between development and humanitarian approaches in UNFPA mandate areas, and create flexible approaches for shifting financial resources from emergency to development and vice versa. This has been addressed in the Strategic Plan 2018-2021, which supports giving more weight to humanitarian considerations in developing the resource allocation system. New criteria were included for resource allocations, based on humanitarian vulnerability and risk, and gender-based violence, in addition to low performance on ICPD indicators in humanitarian and fragile contexts.
28. UNFPA management takes note of the recommendation regarding the capability of Country Offices to “adequately finance their emergency and response plan” and is pleased to highlight the introduction in the strategic plan of a funding floor that addresses the needs of countries in humanitarian situations. This funding floor is one of the key considerations for improving the resource allocation system (RAS) methodology for 2018-2021. The implementation of the revised RAS approach will be monitored closely, and the effectiveness of this methodology will be reviewed at the midterm review of the strategic plan.
29. With regard to the challenges related to human resources deployed in highly-vulnerable contexts, management acknowledges the need to further strengthen organizational capacity, skillset and personnel at the regional and country levels and professional staff competencies at headquarters level to be able to effectively deliver programming, including humanitarian response. UNFPA is currently reviewing the human resources structure to optimize performance at the headquarters, country and regional levels UNFPA has informed Executive Board members on the progress in the change management process at informal consultations will continue consultations in 2018.

30. Another key conclusion of the meta-analysis was that UNFPA is at a crossroads whether to become a lead agency for humanitarian data, or accept a more modest role within the United Nations system. Key suggestions in this regard are to clarify expectations underlying “increasing investment in data in emergencies” as per the UNFPA Strategic Plan 2018-2021, to ensure the availability of adequate expert support for country offices at headquarters and regional offices, and to explore options on how to better use and integrate population and development officers in humanitarian programming.
31. Management takes note of the Evaluation Office programme of work and budget for 2018, which includes commissioning seven corporate evaluations, and support to 4 country programme evaluations, three regional evaluations and other United Nations system-wide evaluation activities. Furthermore, Management will provide needed support to the Evaluation Office and other responsible units in the implementation of UNFPA evaluation programme of work.

Conclusion

32. Management welcomes the continued progress in strengthening the evaluation function within UNFPA and reaffirms its commitment to promoting greater accountability, transparency, evidence-based decision-making and organizational learning. Management will continue to work with the Evaluation Office to carry out its important role in supporting organizational results.
 33. Management supports the decisions proposed by the Evaluation Office for consideration of the Executive Board to: (a) take note of the report on the evaluation function of UNFPA, 2017, and the programme of work and budget of the Evaluation Office in 2018; (b) welcome the efforts made by UNFPA and the significant progress achieved in strengthening the evaluation function, in actively contributing to United Nations system-wide evaluation efforts, and in fostering efforts for national evaluation capacity development; (c) reaffirm the role played by the evaluation function at UNFPA and underscore the importance of high-quality, independent evaluation evidence in the context of the new UNFPA Strategic Plan, 2018-2021, and its contribution to the implementation of the 2030 Agenda for Sustainable Development; and (d) request UNFPA to present a revised evaluation policy to the Executive Board at its first regular session in 2019.
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