

**EVALUATION OF THE ARCHITECTURE SUPPORTING  
THE OPERATIONALISATION OF THE UNFPA STRATEGIC PLAN, 2014-2017.**

**VOLUME I:  
MAIN EVALUATION REPORT**

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## ABBREVIATIONS AND ACRONYMS

|        |  |
|--------|--|
| CPAP   | Country Programme Action Plan                          |
| CPD    | Country Programme Document                             |
| CO     | Country office   |
| DaO    | Delivering as One                                      |
| DESA   | Department for Economic and Social Affairs             |
| DOCO   | Development Operations Coordination Office             |
| DRF    | Development Results Framework                          |
| GRI    | Global and Regional Interventions                      |
| HFCB   | Humanitarian and Fragile Contexts Branch               |
| HR     | Human Resources  |
| HRR    | Humanitarian Response Reserve                          |
| ICPD   | International Conference on Population and Development |
| IRF    | Integrated Results Framework                           |
| MDG    | Millennium Development Goal                            |
| MISP   | Minimum Integrated Service Package                     |
| MoE    | Modes of Engagement                                    |
| MRF    | Management Results Framework                           |
| MTR    | Mid-Term Review  |
| NCFAS  | Non-Core Funds Allocation System                       |
| NCFMU  | Non-Core Funds Management Unit                         |
| ODA    | Official Development Assistance                        |
| OECD   | Organisation for Economic Cooperation and Development  |
| OMP    | Office Management Plan                                 |
| PRC    | Programme Review Committee                             |
| QCPR   | Quadrennial Comprehensive Policy Review                |
| RAS    | Resource Allocation System                             |
| RDS    | Resource Distribution System                           |
| RO     | Regional Office  |
| SDG    | Sustainable Development Goal                           |
| SoPs   | Standard Operating Procedures                          |
| SRH    | Sexual and Reproductive Health                         |
| UNCT   | United Nations Country Team                            |
| UNDAF  | United Nations Development Assistance Framework        |
| UNDG   | United Nations Development Group                       |
| UNEG   | United Nations Evaluation Group                        |
| UNDP   | United Nations Development Programme                   |
| UNFPA  | United Nations Population Fund                         |
| UNICEF | United Nations Children's Fund                         |
| WFP    | World Food Programme                                   |
| WHS    | World Humanitarian Summit                              |
| WHO    | World Health Organization                              |

## EXECUTIVE SUMMARY

### The purpose and scope of the evaluation

1. The Evaluation Office conducted the independent evaluation of the architecture supporting operationalisation of the UNFPA Strategic Plan 2014-2017 as part of its Quadrennial Budgeted Evaluation Plan 2016-2019. The evaluation began in September 2016 and was completed in May 2017. The primary purpose of the evaluation is to feed into the preparation of the new UNFPA strategic plan with independent evaluative evidence and lessons learned, specifically related to the elements of the architecture supporting its operationalisation. This evaluation is one among several sources of information that will contribute to the development of the new strategic plan. It focuses on macro-level issues within the defined scope and provides recommendations at the same level.

2. The scope of the evaluation includes the elements of the architecture supporting operationalisation of the strategic plan as summarised below.

| I: Results   | II: Business model      | III: Funding arrangements         |
|--|-------------------------|-----------------------------------|
| Integrated results framework<br>outcomes and outputs | Country classification  | Resources allocation system       |
|  | Modes of engagement     | Global and regional interventions |
| Theories of change                                   | Humanitarian assistance |                                   |

3. Within the scope, the evaluation had three core objectives:

- (a) To assess whether the key elements of the architecture supporting the operationalisation of the strategic plan have helped UNFPA to strengthen its performance. Specific criteria for making the assessment were developed in the inception phase of the evaluation.
- (b) To identify the factors that can explain why the elements of the architecture supporting the operationalisation of the strategic plan have been successful or not.
- (c) To provide recommendations for strengthening the strategic planning architecture for consideration by the UNFPA management.

### The methodology

4. A simple intervention logic was developed to help identify the evaluation questions as well as associated assumptions to be assessed. An evaluation matrix was developed to link the evaluation questions to the various data collection methods. The evaluation matrix revealed that a number of data collection methods were required to assess the validity of the assumptions and to identify the explanatory factors. The multiple methods of data collection provided an opportunity for triangulation by source of evidence/data collection methods: (a) Country and regional studies, (b) Analysis of administrative data, (c) Interviews with key informants, (d) Stakeholder surveys, and (e) Document review.

5. The conduct of the evaluation was followed closely by an evaluation reference group consisting of staff members of UNFPA units directly concerned with the results of this evaluation. The reference group supported the evaluation at key points during the evaluation process, providing substantive

technical inputs, facilitating access to documents and informants, and ensuring the high technical quality of the evaluation products.

## Findings

**Finding 1:** There has been progress towards a unified funding architecture with the introduction of a policy for non-core resource management in 2016.

**Finding 2:** There has been an increase in the proportion of regular resources allocated to countries with the greatest need and the lowest ability to finance, in line with the expectations of the Executive Board, but existing allocation criteria may not be enough to ensure the most effective allocation of resources.

**Finding 3:** Maintaining the bull's eye and introducing the four outcomes of the integrated results framework have contributed to greater focus in the country programmes that were developed or realigned after the adoption of the Strategic Plan 2014-2017.

**Finding 4:** For many countries in the pink quadrant, as well as some in the yellow and orange quadrants, the alignment with the limited modes of engagement, as envisaged in the business model, has not been realised.

**Finding 5:** The guidance on alignment lacked clarity. This led to different perceptions in countries on the degree of flexibility allowed in aligning to the model of differentiated modes of engagement.

**Finding 6:** The lack of conceptual clarity in the strategic plan itself, and in the guidance subsequently provided by headquarters and regional offices, has led to an uneven understanding of the modes of engagement.

**Finding 7:** The model of restricting modes of engagement in some countries does not always reflect the reality of programming (and the policy cycle) on the ground.

**Finding 8:** Alignment of human resource capacity at country level to the needs of the strategic plan has been slow and there is no evidence that processes are fully in place to ensure appropriate capacity to meet the requirements of the strategic plan.

**Finding 9:** Humanitarian mainstreaming has improved particularly through a focus on preparedness, but not all elements of the architecture aimed at supporting the UNFPA response to a humanitarian crisis have been implemented.

**Finding 10:** UNFPA has successfully mobilised resources to support humanitarian crises but key mechanisms, such as the emergency fund and humanitarian response reserve, have faced resource constraints.

**Finding 11:** While the results monitoring and reporting system has been strengthened since the start of the SP, the system still faces challenges related to adaptation to the upstream orientation of the business model.

**Finding 12:** Monitoring of alignment to the strategic plan has been limited and has not continued over the life of the plan.

## Conclusions

6. The following three conclusions represent the key messages that the evaluation presents to UNFPA management for consideration. They aim at complementing other efforts within the organization to prepare the strategic plan.

**Conclusion 1:** Classification of countries based on country needs and ability to finance is at the heart of the architecture supporting the operationalisation of the strategic plan. It has been useful for resource allocation and contributed to the focus of resources to countries with the greatest needs. However, perception of restricted modes of engagement in pink, yellow and orange countries, means that programming strategies have not always been flexible enough to promote national ownership and programme responsiveness. These restrictions are part of a centralisation of decision-making in the organisation and a move away from the country focus, as promoted in the transition business plan for 2012-2013. This is also reflected in the performance monitoring and reporting system which is focused on corporate needs and less on learning and accountability at the country level.

**Conclusion 2:** The substantial efforts made to support alignment to the strategic plan were impeded by lack of corporate preparedness and, given this unpreparedness, an unrealistic timeframe to address alignment in all its dimensions. Moreover, the introduction of the strategic plan was not accompanied by a comprehensive change management process across the whole organisation. Such a process should have led to better integration of alignment guidance with existing processes, policies and strategies (e.g., PPM). Organisational plans and strategies were not explicit on how they would deal with changing levels of resource (decrease or increase). In addition, the implementation of specific elements of the architecture of the strategic plan as envisaged in the strategic plan document (unified funding architecture, performance based resource allocation, etc.) should have been better defined and a plan for their implementation clearly articulated and then monitored. Going forward, the challenge will be to implement these changes in the context of a more coordinated and coherent approach to strategic planning in the United Nations development system, where reaching agreement among agencies may cause delays and where a single entity cannot be held accountable for change.

**Conclusion 3:** Although there has been progress in strengthening the architecture for operationalising the strategic plan, it is not yet aligned to the needs of the requirement of the new environment within which UNFPA operates. Specifically, the 2030 Agenda for Sustainable Development calls for an approach to programming building on the interrelated efforts to deliver on the interdependent Sustainable Development Goals. Achieving these goals will require an enhanced approach to capacity and also requires greater integration through stronger and more strategic

partnerships. The business model, which reflects the “how” of UNFPA work, is not comprehensive enough to address these emerging demands.

## Recommendations

The recommendations have been grouped into two areas.

### **Area 1: developing a stronger business model and increasing country focus**

**Recommendation 1:** Disconnect the existing modes of engagement from country classification, apart from service delivery which will only be undertaken in red countries and in humanitarian contexts.

**Recommendation 2:** In the Strategic Plan 2018-2021, re-conceptualise the modes of engagement and clarify their relationship to capacity development.

**Recommendation 3:** Enhance accountability for results, as well as learning at country level, through strengthening the country level capacity for monitoring and evaluation and promoting national capacity to undertake country level evaluations.

### **Area 2: preparing for operationalisation of the Strategic Plan 2018-2021 and subsequent strategic plans**

**Recommendation 4:** Develop and implement a comprehensive change management process to enable the organisation at all levels to implement the upcoming and subsequent strategic plans to deliver on the 2030 Agenda for Sustainable Development and the Sustainable Development Goals

**Recommendation 5:** Make the architecture supporting the operationalisation of the strategic plan an effective communication tool.

**Recommendation 6:** Develop an integrated package of guidance for operationalising the Strategic Plan 2018-2021 before the start of the plan, by updating existing guidance and preparing new guidance as necessary.

**Recommendation 7:** Utilise the country programme document process to ensure alignment of new country programmes to the strategic plan, and support country offices that have already started a country programme document cycle to align incrementally according to their context.



## STRUCTURE OF THE EVALUATION REPORT

This evaluation report is divided into two volumes, the main report and annexes. This first volume has 4 chapters:

Chapter 1, the introduction to the evaluation, presents the purpose, objectives and scope of the evaluation. It also sets out the overall approach, including methodology, governance and implementation.

Chapter 2 describes the context during the design of the Strategic Plan 2014-2017 and sets out the design of the architecture supporting its operationalisation. It also describes the changing global development context during implementation.

Chapter 3 presents the findings and analysis based on the structure of the five evaluation questions.

Chapter 4 sets out the conclusions and recommendations that are drawn from the findings.

An effort has been made to keep the main report short, partly though using the second volume of annexes to include some of the description of process and methodology as well as detailed data and analysis.

## CHAPTER 1: INTRODUCTION TO THE EVALUATION

1. The Evaluation Office conducted the independent evaluation of the architecture supporting operationalisation of the UNFPA Strategic Plan 2014-2017 as part of its Quadrennial Budgeted Evaluation Plan 2016-2019. In the original evaluation plan, approved by the UNFPA Executive Board in 2015,<sup>1</sup> the evaluation was to focus on the UNFPA global and regional interventions.<sup>2</sup> However, subsequent discussions with management made clear the difficulty (if not the impossibility) of assessing the relevance and performance of the global and regional interventions in isolation from the other elements underpinning the operationalisation of the strategic plan. The proposed change in scope was presented to an informal meeting with the Executive Board in June 2016.

2. The evaluation began in September 2016 and was completed in April 2017. The evaluation was undertaken by the Evaluation Office with the support of an external team of experts. An evaluation terms of reference<sup>3</sup> was prepared by the evaluation co-team leaders based on a key document review and initial consultations with internal and external stakeholders.

### 1.1 RATIONALE, OBJECTIVES AND SCOPE OF THE EVALUATION

3. The forthcoming Strategic Plan 2018-2021 is being developed in a different context from that which existed when the current plan was designed in 2012 and 2013. This includes the recent adoption of the Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development, the changing resource environment experienced by UNFPA, and increasing demand for humanitarian support. At the same time, the ongoing strategic plan introduced a number of innovations that now need to be independently assessed.<sup>4</sup>

4. The primary purpose of the evaluation is to feed into the preparation of the new UNFPA Strategic Plan 2018-2021 with independent evaluative evidence and lessons learned, specifically those elements of the architecture supporting the operationalisation of the strategic plan that are included in the scope of the evaluation. Given the original focus of the evaluation, special efforts were made to examine the role of the global and regional interventions (GRI). The evaluation is one among several sources of information that will contribute to the development of the new strategic plan and will focus on macro-level issues within the defined scope as well as providing recommendations at the same level. A secondary purpose is to learn from the design and implementation of the UNFPA business model, specifically the element guiding programme strategies based on the country context in which the programme is implemented. This was an important innovation and its implementation has lessons that can be used by other United Nations entities.

5. The scope of the evaluation includes the elements of the architecture supporting operationalisation of the strategic plan as summarised in Table 1 below. The evaluation did not look at: (a) the substantive areas in which UNFPA should or should not engage, (b) the development performance

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<sup>1</sup> DP/FPA/2015/12

<sup>2</sup> Institutional evaluation of the strategic framework for UNFPA global and regional interventions

<sup>3</sup> Volume II Annex 1

<sup>4</sup> The different context as well as the innovations are described in more detail in chapter 2

of UNFPA (i.e. its contribution to development results), or (c) the issue of country presence or regionalisation.<sup>5</sup> The geographical scope of the evaluation included all programme countries in the six UNFPA regions of operation.

| <b>Table 1: Elements of the architecture supporting implementation of the Strategic Plan 2014-2017</b> |                           |                                   |
|--|---------------------------|-----------------------------------|
| <b>I: Results</b>  | <b>II: Business Model</b> | <b>III: Funding arrangements</b>  |
| Integrated results framework outcomes and outputs  | Country classification    | Resources allocation system       |
|  | Modes of engagement       | Global and regional interventions |
| Theories of change   | Humanitarian assistance   |                                   |

6. Although the scope is clearly defined as the three broad elements set out the strategic plan document, it is also clear that these elements are not implemented in isolation. They are part of a wider system that includes other aspects of UNFPA work, the United Nations development system and the global development environment. The evaluation scope set the boundaries for what was examined directly, but it did not preclude examining elements outside the boundaries, where necessary, for answering the evaluation questions. Within the scope described above, the evaluation had three core objectives:

- (a) To assess whether the key elements of the architecture supporting the operationalisation of the strategic plan have helped UNFPA to strengthen its performance. Specific criteria for making the assessment were developed in the inception phase of the evaluation.
- (b) To identify the factors that can explain why the elements of the architecture supporting the operationalisation of the strategic plan have been successful or not.
- (c) To provide recommendations for strengthening the strategic planning architecture for consideration by the UNFPA management.<sup>6</sup>

## 1.2 OVERALL EVALUATION FRAMEWORK

7. The design of the evaluation follows United Nations Evaluation Group (UNEG) Norms and Standards for Evaluation<sup>7</sup> in the United Nations system and abides by UNEG Ethical Guidelines and Code of Conduct.<sup>8</sup> It also integrates gender and human rights principles throughout the evaluation process including, to the extent possible, participation of key stakeholders. To meet the requirements of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women (UN-SWAP) the evaluation met the UNEG gender-related norms and standards to the extent possible and as appropriate for this type of evaluation.<sup>9</sup>

<sup>5</sup> Decision on the scope were made by the Evaluation Office following consultations with UNFPA management during the scoping phase. The issues of country presence and regionalization were not included due to the ongoing structural review of UNFPA.

<sup>6</sup> The terms of reference of the evaluation initially foresaw a presentation of the evaluation to the Executive Board at the Annual Session, in June 2017. Subsequent to discussions with UNFPA management, it was finally decided that the evaluation would be presented to the Executive Board for information, at the Third UNFPA Workshop on the Strategic Plan, 2018-2021, on May 4<sup>th</sup>, 2017.

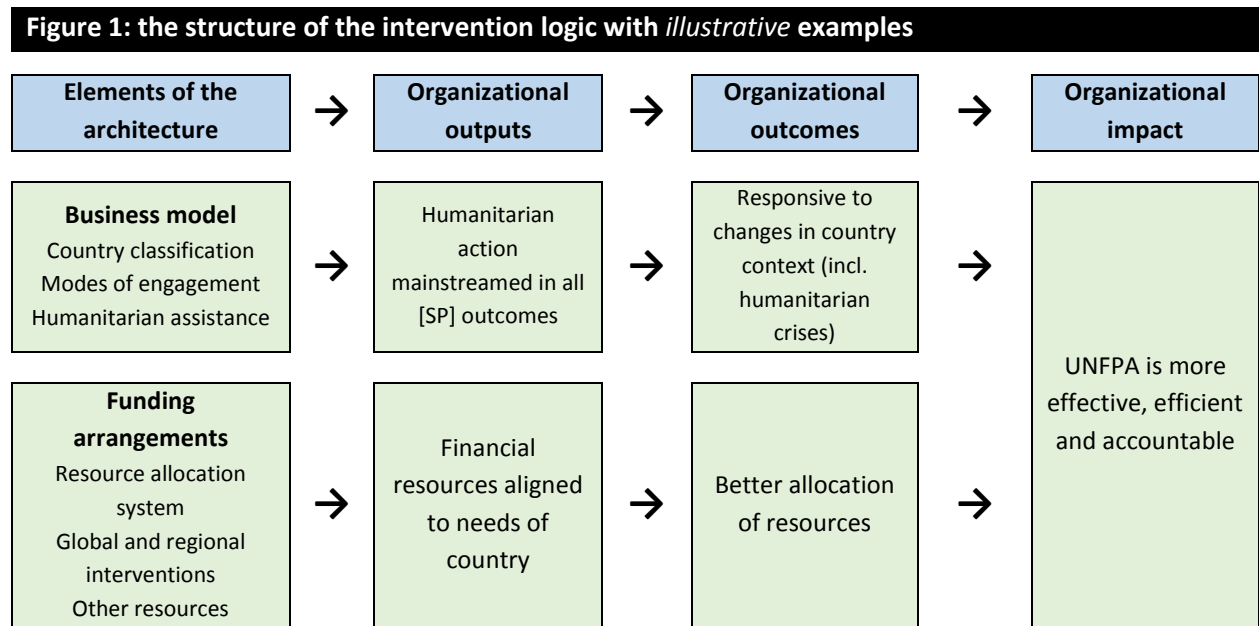
<sup>7</sup> UNEG Norms and Standards for evaluation (2016) <http://www.unevaluation.org/document/detail/1914>

<sup>8</sup> UNEG Ethical Guidelines <http://www.uneval.org/document/detail/102>

<sup>9</sup> Norm 8 and Standard 4.7

8. **The intervention logic and evaluation questions.** A simple intervention logic was developed, from which were drawn the evaluation questions and associated assumptions. The model illustrates how the elements of the architecture supporting the operationalisation of the Strategic Plan 2014-2017 are intended to result in a more effective, efficient and accountable organization.

9. The core of the evaluation concerns moving from organizational outputs (for which UNFPA has control<sup>10</sup> and is therefore accountable) to organizational outcomes (which are the result of other factors outside UNFPA control). The evaluation did not cover the relationship between the organizational outcomes and organizational impact. A detailed presentation can be found in Annex 2 and Figure 1 below shows a summary of the structure including two *illustrative* examples of the intervention logic. This intervention logic corresponds to a deliberately simplified presentation of the causality chain linking strategic plan elements to their intended end results; it needs to be considered within the broader context.



10. The objectives and goals of the different elements of the architecture being examined are not explicit in the strategic plan document or its annexes. The evaluation team examined the text of these documents to derive the intended organisational outputs and outcomes. These, together with the linkages between the two and underlying assumptions, were discussed with the evaluation reference group leading to the final model.<sup>11</sup> The following five evaluation questions were derived from the level of organizational outcomes:

- EQ1: To what extent did the architecture supporting the operationalisation of the strategic plan contribute to an improved allocation of resources within UNFPA?

<sup>10</sup> UNDG Results Based Management Handbook (2011). Box 2: definition of key United Nations programming terms.

<sup>11</sup> The agenda and participants of the inception workshop where the discussion took place can be found in Annex 4(d).

- EQ2: To what extent did the architecture supporting the operationalisation of the strategic plan help UNFPA become more focused and to deliver interventions to where they make the most impact?
- EQ3: To what extent did the architecture supporting the operationalisation of the strategic plan help UNFPA tailor its programmes to the priority needs of countries?
- EQ4: To what extent did the architecture supporting the operationalisation of the strategic plan help UNFPA respond to changes in country context (including humanitarian crises)?
- EQ5: To what extent did the architecture supporting the operationalisation of the strategic plan help UNFPA become more accountable to all stakeholders?

11. **The evaluation matrix.** An evaluation matrix was developed to link the evaluation questions to the various data collection methods (the full details can be found in Annex 3). The matrix was useful in assessing the elements of the strategic plan architecture that were helping UNFPA strengthen its performance (in line with the intervention logic). Within this framework, special efforts were made to address the second evaluation objective, i.e. to identify factors that can explain changes in the organizational outcomes.

### 1.3 DATA COLLECTION AND ANALYSIS

12. The evaluation matrix identified the data collection methods necessary to assess the validity of the assumptions and to identify the explanatory factors. Following the completion of data collection, analysis was based on the evaluation matrix, and the evaluation questions were answered through evidence-based findings. The multiple methods of data collection provided an opportunity for triangulation by source of evidence/data collection methods. The data collection process allowed institutions and individuals to provide information on a confidential basis.<sup>12</sup>

13. **Country and regional studies.** Regional studies were conducted in all six regional offices and two types of country study were undertaken: (a) those undertaken through field work (9 countries) and (b) those undertaken remotely through telephone interviews (UNFPA representatives and, where possible, national counterparts) and desk reviews (15 countries). These are not case studies but rather sets of country and regional level interviews that, in addition to collection of documents and administrative data, provided an opportunity to identify areas for further investigation.

14. **Analysis of administrative data.** The evaluation matrix revealed a number of areas where it was necessary to examine administrative data, especially related to the budget, resource-allocation and alignment.

15. **Interviews with key informants.** Headquarter interviews related to specific issues identified in the data collection and were undertaken after the country studies had been completed. Meetings for clarification and for obtaining additional data were organized throughout the data collection process as

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<sup>12</sup> In line with UNEG Standard 3.2

required. United Nations system entities were identified for interviews including entities responsible for system coordination<sup>13</sup> as well as programme partner agencies.<sup>14</sup> Interviews were also held with selected members of the Executive Board.

16. **Stakeholder Surveys.** Two sets of survey questions were sent to all programme countries not covered by country visits or remote studies: (a) for UNFPA representatives, and (b) for national counterparts. A third set of survey questions was sent to Member States.<sup>15</sup>

17. **Document Review.** Three groups of documents were reviewed: (a) specific documents identified in the evaluation matrix where the review formed part of the data collection, (b) background documents (including the core documents related to the Strategic Plan 2014-2017), which were used to prepare background sections on the context and (c) a set of independent evaluations, reviews, assessments and audits was examined in the data collection phase. The review process was used to validate and supplement the findings from the primary data collection methods.<sup>16</sup>

#### 1.4 CONSTRAINTS, LIMITATIONS AND MITIGATING MEASURES

18. The evaluation was conducted in parallel with the work on the development of the Strategic Plan 2018-2021. This did not allow for optimal placing of the evaluation results into the planning work of concerned business units. However, the evaluation team was able to provide useful and timely information to the Programme Division in the form of preliminary results of the evaluation at draft reporting stage.

19. In assessing the extent to which the architecture of the strategic plan has helped UNFPA to respond to changes in country context, the evaluation actually focused on humanitarian crises. The ability to respond to other types of changes (such as sudden political or economic crises) was not analysed, as no relevant example was found in the country studies conducted.

#### 1.5 MANAGEMENT AND IMPLEMENTATION OF THE EVALUATION

20. **The Evaluation Team.** The responsibility for the management and supervision of the evaluation rested with the evaluation office. An evaluation manager was appointed who was responsible for ensuring the quality and independence of the evaluation and who acted as co-team leader with an evaluation consultant. In addition to the co-team leaders, the evaluation team included a strategic development consultant and a research assistant.

21. **Engagement with UNFPA management.** The conduct of the evaluation was followed closely by an evaluation reference group consisting of staff members, including senior managers of UNFPA units directly concerned with the results of this evaluation.<sup>17</sup> The reference group supported the evaluation at

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<sup>13</sup> Department for Economic and Social Affairs and the Development Operations Coordination Office

<sup>14</sup> UNICEF, UNWOMEN, UNDP

<sup>15</sup> Details of the survey questions and participants are included in annex 11.

<sup>16</sup> The tables in Annex 7(f) represent the complete set of documents that have been reviewed.

<sup>17</sup> A list of members can be found in annex 4 together with the terms of reference for the group and a table of the participation of UNFPA units in the evaluation process.

key points during the evaluation process, providing substantive technical inputs, facilitating access to documents and informants, and ensuring the high technical quality of the evaluation products.

22. **Engagement with Member States.** In addition to the interviews and surveys conducted during the data collection phase, further engagement with Member States took place through informal meetings with the Executive Board. The Programme Division kept Member States informed of progress of the evaluation in the informal sessions that discussed the new strategic plan. An informal meeting with the Executive Board took place in May 2017 to discuss the evaluation.

23. **Quality Assurance.** The UNFPA Evaluation Office quality assurance and assessment system defines the quality standards expected from this evaluation and includes a quality assessment grid<sup>18</sup>, which will be used to assess the quality of the final report. The first level quality assurance of evaluation reports was conducted by the evaluation office evaluation manager. To further enhance the quality and credibility of this evaluation, the evaluation reference group also commented on the reports, notably to verify accuracy of facts presented and validity of interpretations of evidence. The UNFPA Evaluation Office has established a quality assurance panel, a member of which reviewed the evaluation. The Director of the Evaluation Office maintains oversight and quality assurance of the final evaluation report.

24. **Implementation:** The implementation of the evaluation started with the scoping process that led to the development of the terms of reference (Annex 1). The inception process led to the full and detailed design of the evaluation as contained in an inception report. Following completion of the evaluation design, the evaluation was conducted in the following four phases:

- Data collection phase (mid-October to December 2016)
- Analysis and synthesis phase (January to mid-February 2017)
- Reporting and review phase (end-February to March 2017)
- Management response, dissemination and follow-up phase (April to May 2017)

25. The overall timeframe for conducting the evaluation was driven by the need to complete the evaluation and for use in the processes of preparing the new UNFPA Strategic Plan 2018-2021.

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<sup>18</sup> <http://www.unfpa.org/admin-resource/evaluation-quality-assurance-and-assessment-tools-and-guidance>

## CHAPTER 2: CONTEXT

27. The Strategic Plan 2014-2017 was developed as the 20th anniversary of the 1994 International Conference on Population and Development (ICPD) approached and in the period just before the deadline for achieving the Millennium Development Goals (MDGs) in 2015. By the close of 2011, the global population had reached seven billion, and as concerns about the sustainability of development grew, population dynamics and family planning were placed under the spotlight. Key elements of the International Conference on Population and Development agenda remained incomplete as UNFPA was tasked to make the ICPD 20+ Review. Several of the Millennium Development Goals were also still far from being met, including the one to which UNFPA most directly contributes - MDG 5, on improving maternal health – which had been found to be the furthest from attainment. Although maternal health, and sexual and reproductive health (SRH) more broadly, had been the focus of renewed attention, a changing political climate meant that, while there was broad consensus on the International Conference on Population and Development agenda in 1994, by 2014 it could no longer be taken for granted.

### 2.1 BACKGROUND TO THE DESIGN OF THE STRATEGIC PLAN, 2014-2017

28. The previous strategic plan had been originally designed for 2008-2011 but was subsequently extended to 2013.<sup>19</sup> In approving the extension, the Executive Board also called for a mid-term review (MTR) of the plan to be presented to the UNFPA Executive Board at the annual session in 2011.<sup>20</sup> The review led to significant changes to the organization's orientation and the way it worked. Effectively a new programme for the years 2012/2013, many of its key features were either carried through into the current strategic plan or set the basis for its orientation. The following can be highlighted as relevant in this context:

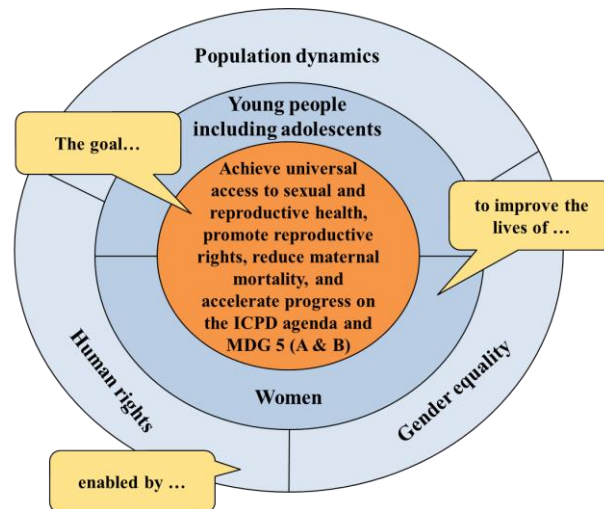
#### Figure 2: The UNFPA Bullseye

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<sup>19</sup> Executive Board decision DP/2009/16: *Extends* the UNFPA strategic plan, 2008-2011, to 2013, including the integrated financial resources framework and the UNFPA global and regional programme, 2008-2011.

<sup>20</sup> Mid-term Review of the UNFPA strategic plan, 2008-2013. Report of the Executive Director. DP/FPA/2011/11





29. First, the 2011 mid-term review established a new goal for the organisation, as illustrated in Figure 3. In so doing, and in an effort to strengthen the strategic focus of the organisation, it established three focus areas: population dynamics, human rights and gender equality. It also identified two target audiences -young people, including adolescents, and women. This programmatic focus of UNFPA – the ‘bull’s eye’ – was drawn from the International Conference on Population and Development mandate and was placed squarely in the context of its contribution to the achievement of the Millennium Development Goals.

30. Second, the mid-term review led to the revision of the corporate results frameworks, with greater focus of both the development results framework (DRF) and the management results framework (MRF). The number of development results framework outcomes were reduced from 13 to 7 and these were no longer compartmentalised into three areas, but rather focused on a single goal. The management results framework was also streamlined with the number of outputs reduced from 9 to 4.

31. Third, to operationalise the newly-extended and revised strategic plan, UNFPA developed a business plan for its two remaining years.<sup>21</sup> Although the business plan was only noted in the mid-term review document it was finalised a few months after the mid-term review was presented. It identified seven key action points:

- Focus programming efforts on refined strategic direction and new development results framework outcomes and outputs to achieve and demonstrate results.
- Put country programmes at the centre of what we do, and direct the efforts of the whole organization to ensuring that we deliver world-class country programmes targeted to local needs.
- Use strategic communications, enabled by technology, to strengthen our internal dialogue and amplify our voice externally.
- More rigorously train and evaluate our staff to empower them, strengthen their skills and increase accountability. Recruit exceptional young talent that brings new ideas to the table.
- Streamline and strengthen our management and operations.
- Foster an organizational culture that breaks down silos, rewards innovation and results, and appropriately addresses poor performance.

<sup>21</sup> UNFPA: *The Way Forward. Business Plan for 2012-2013* (7 Oct 2011)

- The senior management team will hold themselves and others accountable for pursuing these actions and demonstrating results.

32. Other internal changes were also taking place outside the framework of the mid-term review and the business plan. The reorganisation of UNFPA was not included in the mid-term review, as this process was still ongoing. However, the organisation had developed a number of key strategies of which the new strategic plan would need to take account:

- Choices not Chance: UNFPA Family Planning Strategy 2012-2020
- Towards realising the full potential of Adolescents and Youth: UNFPA Strategy on Adolescents and Youth (2013)
- Second Generation Humanitarian Strategy (2012) accompanied by the Fast Track Procedures and Standard Operating Procedures

33. At the same time the 2012 Quadrennial Comprehensive Policy Review (QCPR)<sup>22</sup> was particularly influential.<sup>23</sup> It emphasised capacity development as a core function of the United Nations development system and noted the crucial nature of national ownership of United Nations development system activities. The 2012 Quadrennial Comprehensive Policy Review gave clear guidance from Member States to the United Nations development system to be more strategic and to apply a more coherent results culture. It also called for strengthened system-wide coherence and effectiveness at the country level. The 2012 Quadrennial Comprehensive Policy Review endorsed the 'Delivering as One' (DaO) model as an opportunity to provide such enhanced coherence.

## 2.2 THE UNFPA STRATEGIC PLAN 2014-17 ARCHITECTURE

34. It was within the rapidly changing organizational structures of 2012/13 that UNFPA developed its new strategic plan. The UNFPA Strategic Plan 2014-2017<sup>24</sup> was presented to the Executive Board at the second regular session in September 2013 and subsequently approved.<sup>25</sup> It adopted the bull's eye that had been developed through the mid-term review and responded to the 2012 Quadrennial Comprehensive Policy Review as outlined in Annex 5 of the strategic plan. The strategic plan cycle became synchronised with other funds and programmes, and the integrated results framework included eight organisational effectiveness and efficiency indicators shared with other agencies. The strategic plan endorsed greater coherence at country level through active support to the UNDAF process, other joint programming efforts and to Delivering as One.

35. The strategic plan document set out three inter-related elements of the architecture that were designed to support its operationalisation: (a) the integrated results framework, (b) the business model, and (c) the funding arrangements. These were detailed here in a series of annexes to the strategic plan

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<sup>22</sup> GA resolution 67/226

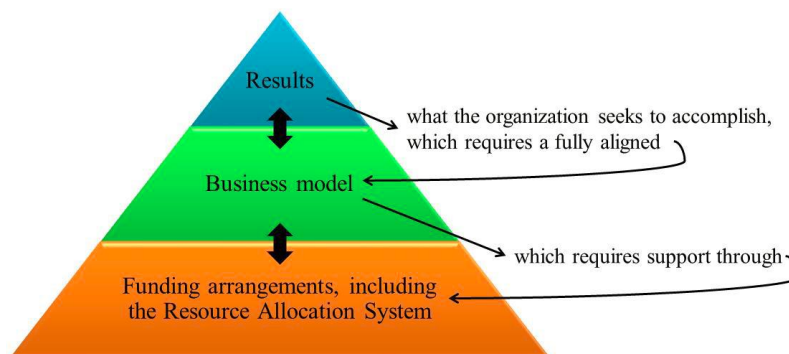
<sup>23</sup> Other process that influenced the SP included: the preparations for the review of the ICPD beyond 2014 and the post-2015 development agenda, Rio+20, the United Nations Secretary General's Global Strategy for Women's and Children's Health, the broader United Nations reform agenda, and the Hyogo Framework for Action for disaster risk reduction.

<sup>24</sup> DP/FPA/2013/12

<sup>25</sup> Decision 2013/31

document<sup>26</sup> and are described below. A simple model was developed to illustrate the relationship between the three (figure 3).

**Figure 3: Conceptual relationship between key elements of the strategic plan**



36. **Integrated results framework (IRF):** The integrated results framework brought together the development results framework and management results framework from the previous strategic plan. It was developed in close collaboration with the other funds and programmes, particularly UNDP, UNICEF, UN-Women and WFP, based on guidance from the 2012 Quadrennial Comprehensive Policy Review UNFPA has accountability for results across all levels (impact, outcome, and output), although attribution varies considerably between the impact level – which require the collective action of many stakeholders – and the output level, where the direct control of UNFPA is strongest.<sup>27</sup>

37. The integrated results framework also includes the results of UNFPA activities not only at country level but also globally and regionally. The global and regional work of the organisation aims to deliver results through support to country programmes and through advocacy, policy dialogue, and knowledge management at the global and regional levels. Most importantly, the integrated results framework supported greater focus in the organisation by reducing the number of outcomes to only 4 from 7 in the period 2012-2013 and 13 in the period 2008-2011. Table 2 below indicates the move towards fewer goals, outcomes, outputs and indicators over time.

| <b>Table 2: Goals, outcomes, outputs, indicators and targets by Strategic Plan</b> |                                 |                       |                                      |                                      |
|--|---------------------------------|-----------------------|--------------------------------------|--------------------------------------|
|  | <b>Strategic Plan 2008-2013</b> |                       |                                      | <b>Strategic Plan 2014-2017</b>      |
|  |                                 | <b>2008-20011</b>     | <b>2012-2013</b>                     |                                      |
| <b>Goal</b>  | DRF                             | 3 (10 indicators)     | 1                                    | 1 (6 indicators)                     |
| <b>Outcomes</b>  | DRF                             | 13 (26 indicators)    | 7 (17 indicators)                    | 4 (20 indicators)                    |
| <b>Outputs</b>   | DRF                             |                       | 18 (29 indicators)                   | 15 (32 indicators)                   |
|  | MRF                             | 9 (19 indicators)     | 4 (14 indicators)                    |                                      |
| <b>Targets</b>   |                                 | End of period targets | Annual targets for output indicators | Annual targets for output indicators |

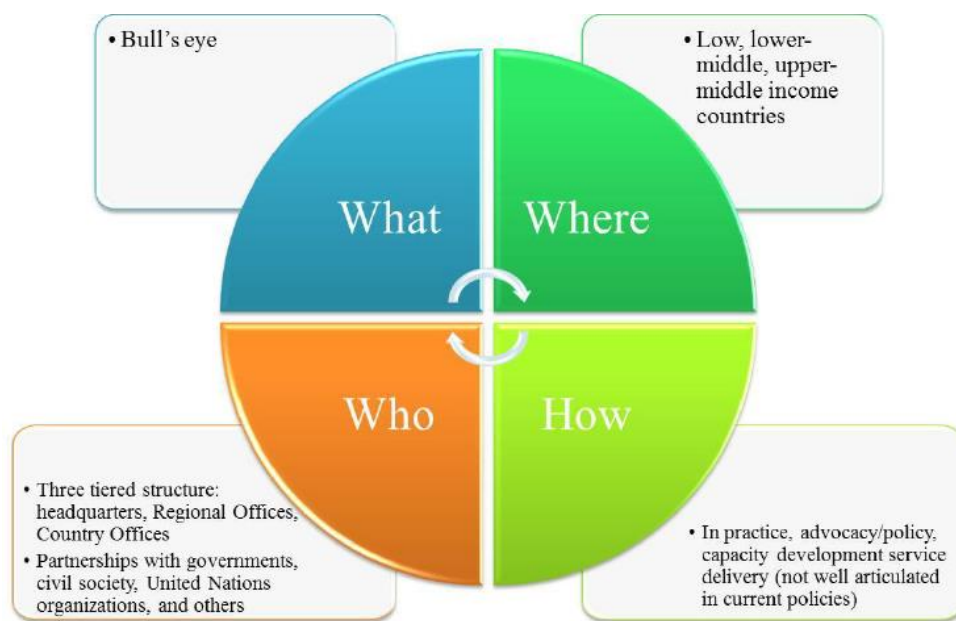
<sup>26</sup> See Volume II annex 7(a) for a list of annexes to the Strategic Plan, 2014-2017

<sup>27</sup> SP para 35

38. Theories of change for each outcome<sup>28</sup> were developed to show the contributions that UNFPA should be making (based on a series of assumptions) and to describe how UNFPA would implement and achieve the goal and outcomes of the strategic plan. The strategic plan also envisaged the development of 15 output-specific theories of change that would provide a greater level of operational detail on the specific interventions and activities UNFPA would implement.

39. **The Business Model:** While the integrated results framework sets out ‘what’ UNFPA does, the next element of delivering on the strategic direction relates to the ‘what’, ‘where’, ‘how’, and ‘who’ of the Fund’s work (see Figure 4 below)<sup>29</sup>. The business model has four components: (a) a mechanism to link modes of engagement at country level with country needs and ability to finance, (b) regionalisation (c) partnership, and (d) humanitarian programming. The first element represented the most significant innovation in the strategic plan.

**Figure 4: The UNFPA business model**



Source: UNFPA Strategic Plan 2014-2017 Annex 3

40. In this respect, Table 3 below is at the heart of the business model, as it provides guidance for how UNFPA should engage in different country contexts. For example, in countries that have the highest needs and lowest ability to finance their own interventions (coloured red in the matrix in Table 3), UNFPA should be prepared to offer a full package of interventions, from advocacy and policy dialogue/advice through knowledge management and capacity development to service delivery. However, in countries

<sup>28</sup> SP Annex 2

<sup>29</sup> While the main text of the SP document describes the business model as the “where, how and who” of the Fund’s work, the diagrammatic representation in Annex 3 of the SP notes that the business model also includes the “what” of UNFPA’s work.

with low need and high ability to finance their own programmes (coloured pink in the matrix in Table 3), UNFPA should focus on advocacy and policy dialogue/advice.

| <b>Table 3: Modes of engagement by setting</b> |                 |                 |             |         |
|--|-----------------|-----------------|-------------|---------|
|  | <i>Need</i>     |                 |             |         |
| <i>Ability to finance</i>                      | Highest         | High            | Medium      | Low     |
| Low  | A/P, KM, CD, SD | A/P, KM, CD, SD | A/P, KM, CD | A/P, KM |
| Lower-middle                                   | A/P, KM, CD, SD | A/P, KM, CD     | A/P, KM     | A/P     |
| Upper-middle                                   | A/P, KM, CD     | A/P, KM         | A/P         | A/P*    |
| High   | A/P*            | A/P*            | A/P*        | A/P*    |

A/P = Advocacy and policy dialogue/advice; CD = Capacity development; KM = Knowledge management; SD = Service delivery

\* Physical presence only in select countries

41. The approach was built on a number of key concepts, including not trying to do everything everywhere and addressing better than before the changing needs of the Fund’s clients. UNFPA was the first United Nations agency to respond, in the form of an explicit model, to the 2012 Quadrennial Comprehensive Policy Review request to ensure that country programme activities were tailored to meet the specific development challenges and needs of programme countries. It also responded to the calls made during the preparatory work on the post-2015 agenda that the United Nations system should move more upstream to focus on advocacy and policy dialogue rather than service delivery. The matrix in Table 3 was intended to be used as a starting point for thinking critically about how UNFPA should engage in different settings rather than as a straitjacket. It was not intended to replace country-level dialogue about national priorities and needs. Thus, UNFPA would be able to preserve the flexibility to respond to the diverse challenges it encountered.

42. Regarding regionalisation, the strategic plan set out to clarify the roles and responsibilities of the regional and country offices. Specifically,<sup>30</sup> country offices would be responsible for implementing programmes and regional offices responsible for:

- providing support and quality assurance to country offices
- engaging with regional entities, and headquarters for providing normative guidance (including the development of tools, guidelines, and standards),
- providing quality assurance in critical areas (such as around regionalization)
- engaging in global advocacy and intergovernmental policy dialogue.

43. In the area of humanitarian programming, preparedness – as highlighted in the second-generation strategy – was to become a focus of the organisation. Related to this, partnerships would also be developed to ensure effective delivery of humanitarian assistance. More generally, the strategic plan emphasised strategic partnerships with government, civil society organisations and other United Nations entities, and introduced partnership plans for country offices. The plan recognised the need to help partners internalise relevant aspects of the International Conference on Population and Development agenda and noted the need for further engagement with the private sector in this respect.

<sup>30</sup> SP para 49

44. **Funding arrangements:** UNFPA historically received the majority of its financing from ‘regular’ (core) resources, although the share of *other* (non-core) resources has increased in recent years. There were several different mechanisms that determined the use of resources, with different processes for allocation, governance and business owners. The plan envisaged that, in the long term, criteria would be introduced that allowed for consistent allocation of resources across the funding mechanisms. The Strategic Plan 2014-2017 laid out the various elements of the funding architecture:<sup>31</sup>

- *Updated resource allocation system (RAS).* This is the system for allocating regular programming resources to the country level. It established indicative annual planning amounts for each country programme based on estimates of the country’s needs (in terms of the UNFPA mandate) and ability to finance actions to address these needs.
- *The institutional budget:* This includes both a *regular* resource component and an *other* resources component. These resources are used for management and development effectiveness activities.
- *The global and regional initiatives*<sup>32</sup>: These are regular resources used for programmatic purposes at the global and regional levels which were to be integrated fully into the Strategic Plan and the integrated budget.
- *The thematic funds:* The funding mechanisms for *other* resources that are used for specific purposes, such as the Global Programme to Enhance Reproductive Health Commodity Security and the Maternal Health Thematic Fund;
- *Other earmarked funds:* Resources that are generated through other means (such as from the Central Emergency Response Fund for humanitarian interventions or from governments for programming in their own countries) and that are used for specific purposes.

## 2.3 EVOLVING CONTEXT DURING IMPLEMENTATION

45. **Global context.** Since the start of the strategic plan period a number of events and international agreements have influenced the context in which the plan is delivered. Chief among these is the adoption in 2015 of the 2030 Agenda for Sustainable Development<sup>33</sup> and its associated Sustainable Development Goals. While these goals continue to emphasise the un-met Millennium Development Goals, they also reflect a much broader and deeper development agenda, one which is underpinned by sustainable development, which places capacity development and national ownership at its centre, and which calls for integrated responses and action by multiple stakeholders. The Sustainable Development Goals have not changed the mandate nor the key outcomes of UNFPA work – as reflected in the bull’s eye – but the organisation itself has identified further opportunities for UNFPA to fulfil the International Conference on Population and Development agenda through the Sustainable Development Goals, particularly around the demographic dividend.

46. 2030 Agenda for Sustainable Development is underpinned by the Addis Ababa Action Agenda and the Paris Climate Conference agreements, emphasising more effective and deeper partnerships for development finance and for sustainable development. The Sendai Framework for Disaster Risk

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<sup>31</sup> SP annex 4 para 3

<sup>32</sup> The term *programme* was used rather than initiatives in the annex.

<sup>33</sup> General Assembly A/RES/70/1 *Transforming our world: the 2030 Agenda for Sustainable Development*. 25 September 2015

Reduction, agreed in 2015, notes in its guiding principles the primary responsibility of states, the need for engagement of all of society and coherence of disaster risk reduction and sustainable development policies and plans. The 2016 World Humanitarian Summit (WHS) produced a number of commitments to improve the response in humanitarian situations (including empowering and protecting women and girls). It also committed to shift how humanitarian action is funded and support is delivered. The ‘Grand Bargain’,<sup>34</sup> agreed at the 2016 World Humanitarian Summit, aims to make humanitarian financing more efficient, to ensure assistance is more locally driven and to ensure stronger collaboration between stakeholders in the sector. Key themes of these agreements are the emphasis – or re-emphasis – on issues of national ownership, capacity development, and coherent and integrated responses involving multiple partners.

47. **Humanitarian context.** Demands for humanitarian assistance have increased significantly in recent years, with a growing share of official development assistance being spent on humanitarian activities. Alongside natural disasters and other sudden onset emergencies, the number of people affected by protracted crises has risen, and has brought with it significant displacement both within and beyond country borders. These crises need interventions, but the 2030 Agenda for Sustainable Development, the 2012 Quadrennial Comprehensive Policy Review and the 2016 World Humanitarian Summit, amongst others, all recognise that the United Nations needs to move beyond relief to a more fundamental approach which will help countries to anticipate crises, and for the agencies to “transcend the humanitarian-development divide”<sup>35</sup>, working collectively to help countries to achieve the goals of sustainable development.

48. **United Nations development system context.** There are continued efforts to bring about more coherence in the United Nations. The Delivering as One approach is still voluntary, but following the Quadrennial Comprehensive Policy Review endorsement in 2012 a set of standard operating procedures (SOPs) for Delivering as One countries was released towards the end of 2014. Since the approach is not binding, there is still the possibility of some differences in the United Nations programming approach at country level, reflecting different United Nations coherence contexts. The standard operating procedures introduced a simplified programming approach at country level and removed the requirement for agencies to develop a country programme action plan. This may have implications for the way in which agencies plan, implement and report on their contribution to their individual strategic plans.

49. The 2012 Quadrennial Comprehensive Policy Review resolution continues to emphasise the need for United Nations agencies to support capacity development<sup>36</sup> and to respond to national priorities, and puts poverty reduction at the centre of the United Nations’ role. It also continues to push agencies further in the pursuit of greater coherence, improved effectiveness and efficiency, and improved results-based management. However, the 2016 Quadrennial Comprehensive Policy Review also requests a review of functions identified in strategic plans and of United Nations agencies’ capacities to support implementation of the 2030 Agenda for Sustainable Development. Furthermore, it requests agencies to

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<sup>34</sup> The Grand Bargain – A Shared Commitment to Better Serve People in Need. Istanbul, May 2016.

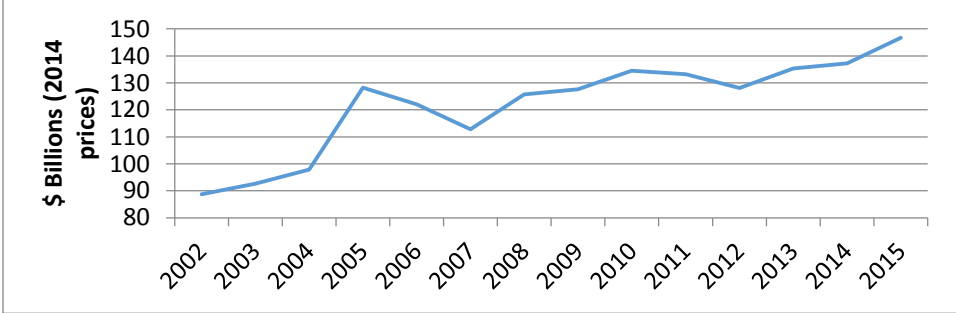
<sup>35</sup> One Humanity: shared responsibility. Report of the Secretary General for the World Humanitarian Summit, Feb 2016.

<sup>36</sup> For example, paragraph 21 of the 2016 QCPR and SDG target 17.9

consider flexible and cost effective models for field presence to meet the needs of programme countries, and requests the development of a system-wide strategic document. These latter aspects of the 2016 Quadrennial Comprehensive Policy Review may impact the way in which future UNFPA strategic plans are developed and the way in which they relate to the plans of other agencies.

50. **Official development assistance context.** After rapid rises in the early 2000s, official development assistance levels dropped at the time of the global financial crisis (see Figure 5) and took until 2012 to recover to levels similar to those of 2005. Although total official development assistance has increased since 2012 to a new peak in 2015, much of this has been due to increased spending on refugees within donor countries, and when this is discounted, total official development assistance rose by only \$2.2 billion, or 1.7 per cent, between 2014 and 2015.<sup>37</sup>

**Figure 5: Global official development assistance trends**



Source: OECD DAC <http://www2.compareyourcountry.org/oda?cr=20001&cr1=oeecd&lg=en&page=1>

<sup>37</sup> Development Initiatives: Aid spending by Development Assistance Committee donors in 2015. Overview of key trends in official development assistance emerging from the provisional 2015 Development Assistance Committee data release, April 2016



## CHAPTER 3: THE FINDINGS

51. This chapter presents the findings of the evaluation and is structured according to the five evaluation questions. These findings are based on analysis of the evidence collected across a number of different sources (as set out in chapter 1). Within each evaluation question, core findings are presented with text that provides the data and analysis supporting them. The text also provides an opportunity to examine issues surrounding the findings that may need to be addressed by the organization. Where necessary reference is made to further data and analysis in the volume of annexes.

### 3.1 EVALUATION QUESTION 1: TO WHAT EXTENT DID THE ARCHITECTURE SUPPORTING THE OPERATIONALISATION OF THE STRATEGIC PLAN CONTRIBUTE TO AN IMPROVED ALLOCATION OF RESOURCES WITHIN UNFPA?

**Finding 1: There has been progress towards a unified funding architecture with the introduction of a policy for non-core resource management in 2016.**

52. The fragmentation of the funding arrangements and the detrimental effects of this situation were identified in the strategic plan document.<sup>38</sup> It acknowledged that a variety of mechanisms existed for resource allocation, each with a separate governance structure, a separate set of allocation criteria, a separate internal owner of the process, and a separate process for budget preparation and monitoring.<sup>39</sup> The strategic plan also noted that the result of having separate budgeting frameworks for different types of regular and other resources “makes it impossible to have a globally coherent allocation of resources to strategic priorities. This impedes the ability of the organization to make optimal use of the total resources, lessening the Fund’s impact”.<sup>40</sup> The strategic plan therefore called for a move towards a more unified funding architecture by 2017.<sup>41</sup>

53. The introduction of the resource allocation system and the global and regional interventions for regular resource allocation to the country and regional/global levels was at the heart of the strategic plan and in 2015 these represented 32 per cent and 7 per cent of programme resources respectively.<sup>42</sup> The strategic plan expected that such steps could be taken in the short term but that due to a “number of operational and governance complexities” the development of a unified funding architecture would take place over the course of 2014-2017. In December 2016, policy and procedures for the management of non-core funds<sup>43</sup> were introduced. The policy applies to the management of non-core funds received by headquarters and regional offices and distributed to other UNFPA units. Since non-core funds mobilised

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<sup>38</sup> SP para 57

<sup>39</sup> SP Annex 4 para 5

<sup>40</sup> SP Annex 4 para 6

<sup>41</sup> SP para 57

<sup>42</sup> 2015 Statistical and Financial Review, Table 4 (by quadrant)

<sup>43</sup> Policy and procedures for the management of non-core fund (effective 2 December 2016)

by country offices (41 per cent of programme resources in 2015) are exempted<sup>44</sup>, the policy represents about 20 per cent of total programme resources.

54. To provide further guidance on the management on non-core funds, the policy established the non-core funds allocation system (NCFAS). The system “establishes objective criteria for the allocation of non-core funds that fall under the purview of this policy”. It is managed by the Non-core Funds Management Unit (NCFMU) based in the Office of the Executive Director, which “reviews all active non-core fund codes and facilitates the development and application of the non-core funds allocation system as required”. Although the policy is meant for all globally and regionally allocated resources, only a limited number of funds are currently governed by the non-core funds allocation system.<sup>45</sup> These are:

- The Joint Programme on the Abandonment of Female Genital Mutilation/Cutting
- The Maternal Health Trust Fund
- UNFPA Supplies
- The Unified Budget, Results and Accountability Framework

55. The definition of a unified funding architecture, as proposed in the strategic plan document, is not clear beyond the need to end fragmentation in resource allocation. Interviews with staff indicate different understandings of the idea, with some suggesting that it already exists and others believing that it is far from in place. The unified architecture may not mean a single allocation mechanism but rather a coherent and logically consistent system that respects the need to be flexible (e.g. the need for mechanisms such as the emergency fund) and recognises the externally-driven nature of the soft earmarked funds. While there has been progress towards a unified funding architecture (to be in place by the end of 2017<sup>46</sup>), implementation of the new policy in an efficient and timely manner will be required to ensuring synchronisation with the regular resource allocation. In this respect, locating the non-core funds management unit in the Office of the Executive Director may not facilitate greater integration of the funding arrangements.

**Finding 2: There has been an increase in the proportion of regular resources allocated to countries with the greatest need and the lowest ability to finance, in line with the expectations of the Executive Board, but existing allocation criteria may not be enough to ensure the most effective allocation of resources.**

56. The resource allocation system was successful in moving regular resources to those countries with greatest needs and lowest ability to finance, as determined by the four quadrants of the country classification. Table 4 indicates that resources to red quadrants increased from 52 per cent of total ‘regular resources’ to country programmes to 57 per cent by 2016. Equally, it shows that resources to countries in the pink quadrants, those with the smallest needs and the resources to address them, went down from 16 per cent to 14 per cent of total regular resources to country programmes in 2016. Initial allocations for 2017 reinforce these trends.

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<sup>44</sup> These funds are by definition already allocated to a country.

<sup>45</sup> UNFPA *Non-Core Funds Allocation System (NCFAS)* (undated)

<sup>46</sup> EB decision 2013/31 (20)

|               | Strategic plan share 2014-2015 | Actual share |      | Strategic plan share 2016-2017 | Initial allocation |      |
|---------------|--------------------------------|--------------|------|--------------------------------|--------------------|------|
|               |                                | 2014         | 2015 |                                | 2016               | 2017 |
| <b>Red</b>    | 50-52%                         | 52%          | 54%  | 59-63%                         | 57%                | 59%  |
| <b>Orange</b> | 21-23%                         | 21%          | 21%  | 20-22%                         | 20%                | 20%  |
| <b>Yellow</b> | 10-12%                         | 11%          | 10%  | 6-8%                           | 9%                 | 8%   |
| <b>Pink</b>   | 15-17%                         | 16%          | 15%  | 9-13%                          | 14%                | 13%  |

Source: 2014 and 2015 from statistical and financial review 2014 and 2015 (annexes to the reports of the Executive Director; Initial allocation 2016 and 2017 from respective regular resource distribution plan – initial distribution

57. Although the resource allocation system may have strengthened the allocation of regular resources, it has been implemented within the context of rapidly declining regular resources. Inevitably the estimates made at the time of developing the strategic plan and the integrated budget will not hold throughout the period of implementation. Income streams come from a wide range of sources but most importantly from donor contributions. Allocation of regular resources through the resource allocation system and global and regional interventions requires accurate estimates of donor contributions.

58. Over time the dollar value of these contributions to regular resources has fallen significantly, rather than increasing as envisaged in the integrated budget. Table 5 below indicates this trend. The strengthening of the US dollar has had a major impact on the dollar amount of donor contributions, but at the same time fewer key donors were able to commit to multi-year funding, leading to some unpredictability.<sup>47</sup> For example, in 2016 the initial allocation of regular resources was \$122 million less than the estimate in the integrated budget (a reduction of 23 per cent). This led to the introduction of austerity measures and downward revisions to regular resource allocation. In 2016 this meant a reduction in the allocation to programme funds (emergency fund, global and regional interventions and country programmes) of \$107 million.

|                                    |     | 2014   | 2015   | 2016  | 2017   |
|------------------------------------|-----|--------|--------|-------|--------|
| Integrated budget                  | SP  | 1924.5 |        |       |        |
|                                    | MTR | 1639.1 |        |       |        |
| Initial distribution <sup>48</sup> |     | 516.65 | 494.00 | 405.2 | 362.94 |
| Actual disbursement <sup>49</sup>  |     | 500.40 | 482.70 | -     | -      |

59. As regular resources decline, austerity measures are introduced leading to a decision by the Executive Committee/Executive Director. These are presented in the regular resource distribution plans<sup>50</sup> but the logic behind the decision is not always made clear. Member States have indicated the need for

<sup>47</sup> DP/FPA/2016/10 para 51

<sup>48</sup> Regular Resource Distribution Plans 2014-2017

<sup>49</sup> UNFPA Statistical and Financial Review 2015 and 2014

<sup>50</sup> Before the start of each year, the Regular Resources Distribution Plan is prepared for the year under consideration, in line with the resource estimates approved in the Integrated Budget.

additional information on the austerity measures and the rationale behind their choice.<sup>51</sup> Planning document and strategies did not contain actions to deal with different resource scenarios (either increase or decrease) which would have made the adjustments more strategic and transparent.

60. Allocation to global and regional interventions is made within a ceiling agreed with the Executive Board with a 60:40 regional:global ratio. The introduction of global and regional intervention ceilings assumes a cap on their expenditures when resources rise, but in the context of declining resources the proportion of regular resources spent on global and regional interventions has also declined.

61. While there were shifts in resource allocation in accordance with the objectives of the plan, austerity measures have had far more impact on 'regular resources' than implementing the resource allocation system associated with the business model and country classification. The concept of funding ceilings (e.g. global and regional interventions, emergency fund) that ensure particular allocations do not take up excessive proportions of 'regular resources' were established with an assumption that the budget would continue to grow. The lack of 'floors' (or lower limits) for budget allocations meant that cuts in funding did not need to protect particular budgets, as most clearly seen in humanitarian funding through the emergency fund and humanitarian response reserve fund.

62. Although the resource allocation system factors in inequality (both gender and income) as well as fragility and risk for humanitarian crisis,<sup>52</sup> several countries raised the issue of inequality and argued that it should be a stronger feature of the system. Moreover, it was noted at the country and regional level interviews that the resource allocation system does not adequately take into account the high costs of operating in high risk environments. There may be other resources available, but flows of such resources may not be stable (for going beyond short-term contracts in protracted emergencies). The emergency fund can support staff costs, but only in the short term. Almost one third of the 2016 emergency fund allocation was spent on human resources,<sup>53</sup> in the main surge capacity and short term staff, whose funding through the emergency fund can only extend up to the end of the calendar year in which it is drawn. Furthermore, donors are more inclined to fund programming activities rather than staffing and operational costs. Others argued that the resource allocation system does not take into account the potential for resource mobilisation, given that it is generally easier in red countries with more flexibility. In pink countries the focus on policy dialogue and advocacy can make it more difficult to mobilise resources, while at the same time there are generally fewer donors present in these countries.

63. The resource allocation system also applies criteria related to the ability of the country to pay, using gross national income per capita as a proxy. Not only is this a crude measure for ability to pay, but it is also unable to capture willingness to finance the areas within the UNFPA mandate. The policy environment may be a better measure for assessing the potential for maximising impact. The resource allocation criteria also needs to take into account the capacities at all levels (Individual, institutional and

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<sup>51</sup> More generally, the survey of member states indicated a mixed response to the question *Do you find the resource allocation mechanism to be clear and transparent?* although 4 of the 9 respondents who answered believe that it is not.

<sup>52</sup> SP annex 4 para 87

<sup>53</sup> DP/FPA/2017/CRP.3 Figure 8 p9

enabling environment) and specifically of the national development partners. Without taking these issues into account, countries with similar development status, but different structural policy and capacity constraints, will be categorised in the same way.

64. The resource distribution system (RDS) allows further refinement by the regional office and could address some of the concerns raised above. Reallocation can take place between countries within the same quadrant, but this presents limited flexibility in regions with few countries in one quadrant and many in another quadrant (e.g. it provides great flexibility for pink countries in Asia and the Pacific or red countries in Eastern and Southern Africa but not the other way around).

65. There are additional challenges to using quantitative criteria, no matter how they can be refined, to meet the needs of the organisation. First, there is the inevitable situation that when the allocation mechanisms were developed in 2013 the data used would be from 2012 at the latest. So, by the final year of the strategic plan, resources are being allocated using data that is, at best, five years old, and at worst from 2010, as was the data of the critical maternal mortality ratio.<sup>54</sup> Second, the quality of the data available is inevitably mixed, and there will be countries with data gaps (filled using regional averages according to the guidance).

66. Although UNFPA has been successful in increasing the allocation of resources to those countries with the greatest need (as already noted in finding 2), there has been little progress on implementing the system of allocating resources according to performance, as envisaged in the strategic plan. In Annex 4 of the Strategic Plan 2014-2017, the list of key challenges facing the funding arrangements includes the fact that “the current system does not allocate resources in a way that optimises impact, such as by rewarding performance”.<sup>55</sup> The strategic plan notes that such a mechanism has not been introduced as “UNFPA must first develop an objective way to assess the performance of country offices”.<sup>56</sup> The strategic plan is not clear, however, about the kind of performance that should be linked to resources (management performance or performance in terms of contribution to development results).

67. In 2014, the UNFPA programme portfolio analysis system was introduced and since January 2016, the UNFPA Programme Division has been leading the process of developing a programme review dashboard, which has been fully institutionalised and will be automated completely by the end of 2017. Criteria for assessment and rating of offices were identified and relate to internal processes and performance. It is reported that some non-core resources have been allocated according to performance, but of the four major funds covered by the new non-core fund allocation system, only two include funds allocation criteria related to country office performance.

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<sup>54</sup> The data was updated for the MTR and it was found that the classification would remain the same for 90% of countries and given that only two years remained in the SP period it was decided not to make any changes. However, given the issues of poor quality of data, no matter the frequency of review any adjustments would still reflect these data flaws.

<sup>55</sup> SP annex 4 para 44

<sup>56</sup> SP para 86

68. The strategic plan envisaged that such a mechanism would be developed in conjunction with other United Nations agencies, particularly since the Standard Operating Procedures for Countries Wishing to Adopt the ‘Delivering as One’ Approach explicitly calls for the development of “common guidance on performance-based allocation criteria, including minimum standards”.<sup>57</sup> According to United Nations Development Operations Coordination Office , however, little progress has been made in this respect. In addition, UNFPA recognises that the benefits of using performance in the resources allocation system should be better analysed before investment is made into such a system. Now that a performance measurement system is in place there is also recognition that performance, even of internal programming, is difficult to measure. The even greater difficulty of assessing development performance is discussed in EQ5 on accountability. At the same time, the decline in the proportion of core resources available to country programmes may make the introduction of such a system less critical.

### **3.2 EVALUATION QUESTION 2: TO WHAT EXTENT DID THE ARCHITECTURE SUPPORTING THE OPERATIONALISATION OF THE STRATEGIC PLAN HELP UNFPA TO BECOME MORE FOCUSED AND TO DELIVER INTERVENTIONS TO WHERE THEY MAKE THE MOST IMPACT?**

69. The strategic plan indicated the importance of alignment in ‘how’ UNFPA does its work as well as focus on ‘what’ it does through the bull’s eye.<sup>58</sup> The alignment to the four modes of engagement according to the quadrants described in chapter two were at the core of the approach to increase focus.

**Finding 3: Maintaining the bull’s eye and introducing the four outcomes of the integrated results framework have contributed to greater focus in the country programmes that were developed or realigned after the adoption of the Strategic Plan 2014-2017.**

70. The bull’s eye and the four outcomes of the integrated results framework (as compared to the 13 outcomes of the Strategic Plan 2008-2011 and the 7 outcomes of the interim Strategic Plan 2012-2013) have set a clear strategic direction which helped country offices to focus their country programme documents (CPDs). Following the mid-term review of the strategic plan in 2016, the number of outputs were further reduced from 15 to 13, specifically related to outcome 4 and the effort to streamline the work of UNFPA in the area of population data for development.<sup>59</sup> The strategic plan went further to note that:

The overarching principle of being focused that was highlighted in the mid-term review will remain important. For example, country offices are expected to concentrate on the integrated results framework outcomes and outputs that are relevant for their local contexts, rather than trying to do everything everywhere.<sup>60</sup>

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<sup>57</sup> SP Annex 4 para 125

<sup>58</sup> SP Annex 3 Business Model para. 5

<sup>59</sup> MTR para 76

<sup>60</sup> SP para 92

77. The improved focus at the output level can be seen in the decrease in the number of outputs in new country programmes approved between 2014 and 2016 compared to the previous cycle (Table 6). Of the 67 countries with new country programme documents approved in 2014-2016, 55 (81 per cent) reduced the number of outputs from the previous programme. Of these, 16 (24 per cent of the total) reduced the number of outputs by 50 per cent or more. Not surprisingly, the reduction in outputs was most likely in pink countries (90 per cent of new country programme documents 2014-2016) but was also significant in red countries (71 per cent). Moreover, 41 per cent of pink countries saw a reduction in outputs by 50 per cent or more.<sup>61</sup> The reduction in the number of outputs in countries with ongoing programmes is less significant, but higher in red countries than in other quadrants.

| <b>Table 6: Reduction in outputs with country programme documents approved in 2014, 2015 and 2016 by quadrant</b> |            |     |        |        |      |
|---|------------|-----|--------|--------|------|
|   |            | Red | Orange | Yellow | Pink |
| Total number of countries with new CPDs approved in 2014, 2015 and 2016   |            | 21  | 9      | 9      | 29   |
| Countries with a reduction in outputs in the new CPD  | No         | 15  | 7      | 7      | 26   |
|   | % of total | 71% | 78%    | 78%    | 90%  |
| Countries with a 50% or more reduction in outputs in the new CPD  | No         | 1   | 2      | 1      | 12   |
|   | % of total | 5%  | 22%    | 11%    | 41%  |
| Total number of countries with ongoing programmes between 2014-2016   |            | 19  | 12     | 6      | 14   |
| Countries with a reduction in outputs between 2014 and 2016   | No         | 9   | 2      | 1      | 2    |
|   | % of total | 47% | 17%    | 17%    | 14%  |
| Countries with a 50% or more reduction in outputs between 2014 and 2016   | No         | 5   | 1      | 0      | 1    |
|   | % of total | 26% | 8%     | 0%     | 7%   |

78. Counting outputs, as described above, is a useful proxy for focus but it has its limitations. For example, it may hide fragmented activities or increases in implementing partners. These, by themselves, may not necessarily be bad and may reflect an appropriate response to the national context. In addition, the reduction in outputs may not always be driven by the strategic plan, but by the necessities of a rapid reduction in core resources, especially in pink countries. However, the data shows that countries in the red quadrant have also been successful in improving focus at the output level. Identifying the appropriate focus of a country programme is something that may need to be done on a case-by-case basis. Nonetheless, by reducing outputs, it is likely that the advantages of focus, especially in relation to transaction costs, synergies and economies of scale, will be achieved.

79. Where UNFPA has increased the focus of a country programme, the resulting gaps may not be automatically filled by others. There is, however, little evidence (if any) of a strategic use of partnerships by country offices with a view to ensuring complementarity within the United Nations system while focusing on UNFPA-priority interventions. Country offices consulted did not report any use of partnerships as a means of filling potential gaps resulting from the greater focus of their country programmes. The

<sup>61</sup> The data used to reach this finding can be found in annex 10(a)

division of labour within UNCT remained based on the respective mandates of United Nations organizations, rather than on the need to fill the gaps generated by the new strategic priorities of an individual organization.

80. A stronger focus of the programme may mean acknowledging that UNFPA can not take advantage of all partnership opportunities. For example, if a country office focuses its programme and does not include a key area where UNFPA is considered to have a comparative advantage (e.g. adolescents), potential partners in that programme area may not think that a partnership with UNFPA is worth pursuing.

81. The theories of change do not appear to have played a major role in the greater focus of country programmes.<sup>62</sup> Country offices, in which theories of change were used for programme design, were able to adapt the outcome theories of change to their specific context. This meant that they could identify the most relevant strategic plan outcomes to which the country programme was meant to contribute and, subsequently, link country programme document outputs to these identified outcomes. Outcome theories of change were found insufficiently relevant for the planning of upstream interventions (i.e., interventions corresponding to knowledge management and policy/advocacy). This was particularly noted in pink countries, where the existing theories of changes do not provide significant examples of strategic interventions in the field of policy/advocacy.

**Finding 4: For many countries in the pink quadrant, as well as some in the yellow and orange quadrants, the alignment with the limited modes of engagement, as envisaged in the business model, has not been realised.**

82. In late 2014, UNFPA introduced the global programming system (GPS) to support the preparation, budgeting, approval, maintenance and system set-up of work-plans used by headquarter units and field offices to manage programme implementation activities. The global programming system allows tagging programme activities to the different programmatic attributes defined for monitoring the contribution to the UNFPA strategic plan outputs and for corporate reporting purposes. Guidance was introduced to help units tag activities inputted into the global programming system to allow further analysis, including tagging by the four modes of engagement. An additional tag of “other” was also included and the guidance states that “other” “should be selected when the activity does not correspond to any of the four modes of engagement”.<sup>63</sup>

83. The global programming system data on modes of engagement look at the expenditure for each mode of engagement. Data on the percentage of resources aligned to relevant modes of engagement are available on the global programming system. Calculations are based on activity tagging by country offices and percentages represent the budget by mode of engagement as a percentage of the total budget by the unit. All programme resources (‘regular’ and ‘other’) are included in the calculations.

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<sup>62</sup> It should be noted that in non-red countries in general, and in pink countries in particular, theories of change were sometimes used as negotiation tools for discussions with national counterparts and/or for resource mobilisation

<sup>63</sup> UNFPA. *User guide for activity tagging. Version 4.* July 2016 (p.9)



84. While the global programming system provides clear quantitative data on the degree of alignment of expenditures with the modes of engagement, in reality, it may not accurately reflect the situation. A number of country offices and regional offices noted that country offices will be creative in tagging and adjust the system to achieve what they believe headquarters expects. This may be partly due to the confusion between the concepts and therefore there is difficulty in tagging. The modes of engagement are interrelated and it is often difficult to disentangle them (an issue discussed in more detail in the next section). Notwithstanding the above, the global programming system is a useful way to assess alignment with modes of engagement. The global programming system data can be contrasted with reporting in the 2016 mid-term review,<sup>64</sup> which showed more positive results based on self-reporting from the country offices.

| Region  |     |      |     |     |     | Quadrant |        |        |     |
|---|-----|------|-----|-----|-----|----------|--------|--------|-----|
| AS  | AP  | EECA | EAS | LAC | WCA | Pink     | Yellow | Orange | Red |
| 28%   | 36% | 44%  | 16% | 32% | 15% | 49%      | 41%    | 20%    | 14% |
| With high risk countries <sup>65</sup> removed                                    |     |      |     |     |     | 44%      | 27%    | 14%    | 13% |
| With high risk countries and countries with new CPD approved in 2014-2016 removed |     |      |     |     |     | 43%      | 33%    | 16%    | 13% |

Source: GPS

85. Table 7 shows that the degree of alignment (according to global programming system data) is weak across all four quadrants, though not surprisingly it gets worse as you move from red, through orange, yellow and finally pink. On average, 31 per cent of resources were misaligned in 2016, a slight increase from 2015. Removing countries designated as humanitarian (i.e. where there is more flexibility in applying the modes of engagement – see next section), the degree of misalignment is approximately 30 per cent in 2016. Countries with country programmes approved since the start of the strategic plan (programmes starting in 2015 and 2016 i.e. where greater alignment would be expected) also show misalignment, on average 28 per cent of the country expenditures.

86. The lack of clarity in the global programming system tagging guidance was an important factor leading to high levels of the “other” category.<sup>66</sup> Moreover, the degree of misalignment may be overstated since the global programming system data even shows misalignment in red countries (12 red countries had over 20 per cent of programme expenditures in the “other” category in 2016). Yet even if we assume that all the expenses tagged as “other” are in fact aligned we still have 40 per cent of non-humanitarian orange, yellow and pink countries with more than 25 per cent of expenditures out of alignment.

87. Since there was no tagging before the start of the strategic plan, it is impossible to say if the model of differentiated modes of engagement increased focus on ‘how’ UNFPA does its work across the whole

<sup>64</sup> Integrated progress and midterm review report on the implementation of the Strategic Plan, 2014-2017, DP/FPA/2016/2

<sup>65</sup> List of countries from part 3 of Humanitarian Programming in the Strategic Plan Business Model (June 2015)

<sup>66</sup> Programme division analysis shows that some crosscutting activities (monitoring, evaluation, etc.) were also tagged “other”

organisation. There is evidence from some countries that it did. Nonetheless, the degree of focus expected from restricting the number of modes of engagement did not happen. This is confirmed by the recent evaluation of UNFPA support to family planning,<sup>67</sup> which notes that the business model does not yet appear to drive strategic focus or to be a driving force for programming.<sup>68</sup> The evaluation of UNFPA work in adolescents and youth found that implementing the business model is a work in progress.

**Finding 5: The guidance on alignment lacked clarity. This led to different perceptions in countries on the degree of flexibility allowed in aligning to the model of differentiated modes of engagement.**

88. The model of differentiated modes of engagement was designed to be flexible. The basic concept was described in Chapter 2 with Table 3 at the core of the model. According to the strategic plan, this table:

“is intended to be used as a starting point for thinking critically about how UNFPA should engage in different settings rather than as a straitjacket. It cannot replace country-level dialogue about national priorities and needs. Thus, UNFPA will preserve the flexibility to respond to the diverse challenges encountered. For example, if a country office in the yellow band (which would normally be focusing on advocacy and policy dialogue/advice and knowledge management) in collaboration with national partners determines that the most effective way to achieve impact given the resources at its disposal would be via capacity development, then it simply needs to provide a justification in the form of a robust business case.”<sup>69</sup>

89. The Executive Board decision 2013/31 on the UNFPA Strategic Plan 2014-17<sup>70</sup> was also very clear and instructed a flexible approach and a midterm review of the categorisation:

“14. Recommends that the model of differentiated engagement by setting as described in table 1 (“modes of engagement by setting”) of the strategic plan and in its annex 3 be implemented in a flexible manner, with due account to programme countries' needs and in line with the UNFPA mandate.

15. Requests UNFPA to review the categorisation of countries in light of updates in data as a part of the midterm review and to reassess the classification of a particular country in the event that it informs UNFPA of a potential error.”

90. Yet the subsequent guidance and implementation resulted in some confusion about the nature of the model and how prescriptive it was. Just under half of the respondents in the country office survey understood that the modes of engagement were prescriptive, with just over half feeling there they were a starting point for discussion with national counterparts. The country studies confirmed these differing opinions between offices and also within them.

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<sup>67</sup> UNFPA. *Evaluation of UNFPA Support to Family Planning (2008-2013)*. 2016. Although the evaluation title indicates it covered a period up to 2013 it also addressed issues concerning the business model introduced in 2014.

<sup>68</sup> Page 47

<sup>69</sup> SP paragraph 45

<sup>70</sup> UNFPA Executive Board DP/2014/2 *Decisions adopted by the Executive Board in 2013* (4 November 2013)

91. One factor which may have contributed to these differing views is the source of guidance on the alignment to the business model. The survey of country offices suggests that information regarding what the nature of the modes of engagement should be come from a wide variety of sources including the strategic plan itself; presentations; webinars; programme division guidance; and discussions within the team, at regional level, and with headquarters. The lack of consistency between these various guidance materials was an additional factor of confusion.

92. To support alignment, the programme division issued a toolkit for UNFPA offices in April 2014 to provide “‘how-to’ guidance, templates, checklists, a repertoire of frequently asked questions and formats to facilitate alignment to the UNFPA Strategic Plan, 2014-2017”. The toolkit was updated in June and August 2014. The toolkits promoted a two-year period for completing the alignment (i.e. all components of the alignment exercise to be completed by the end of 2015).<sup>71</sup>

93. In addition, a series of webinars was also established and the Integrated Service Desk was tasked with facilitating support to the alignment process. Over time, additional guidance was introduced in response to questions being raised by country and regional offices, specifically:

- Frequently asked questions on Upstream Policy/Advocacy programming in pink contexts (undated)
- Humanitarian Programming in the Strategic Plan Business Model: Operational Guidance for UNFPA Internal Use (June 2015)
- Business cases
- Theories of change

94. Guidance on alignment was intended to be a compilation of existing guidance, webinars and country-level workshops. It is, however, fragmented in various locations and not consistent across various contexts. For example, guidance on the business model for humanitarian settings appears initially in the alignment toolkit, but was supplemented with additional, separate guidance rather than an update of the toolkit. There is no reference to the modes of engagement in either the standard operating procedures or the fast track procedures for humanitarian contexts, although it would be expected that these documents would refer to the impact of humanitarian crises on the application (or otherwise) of the modes of engagement. This fragmentation contributed to confusing or conflicting messages - changes were made in some guidance documents (e.g. on the process for submitting a business case) without updating other guidance documents to reflect this change. Some country offices felt there was not enough guidance on how to phase out of particular modes of engagement.

95. The programme review committee (PRC) during the review of country programme documents ensured alignment and provided guidance<sup>72</sup> which states that:

“If there are deviations from the business model prescription, such draft country programme documents should be supported with justification (i.e. a business case), submitted in the standard format to the regional office, for onward transmission to programme division and

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<sup>71</sup> Toolkit (August 2014) section 1.4b

<sup>72</sup> *Programme Review Committee Users’ Guide. For Reviewers and UNFPA Field Offices*. Operational Support & Quality Assurance Branch, Programme Division, Updated March 2015

UNFPA senior management. Please score criteria as per the requirement. For instance, a yellow country programme engaging service delivery, without a business case, is essentially a deviation.”<sup>73</sup>

96. Although the strategic plan itself calls for “*critical thinking*” and rejects the idea of a “*straightjacket*” in applying the modes of engagement, flexibility appears limited: any deviation from the model requires justification in the form of “a robust business” case<sup>74</sup>. Very few business cases appear to have been presented and only six approved. Of those that have, there are examples of very slow or delayed decision processes from headquarters. Misalignment to the modes of engagement appears to have no consequence, therefore perhaps country office did not consider it necessary to prepare a business case to request adjustments in the MoE (and possibly it may have more consequences if a business case is submitted).

97. Initial alignment guidance (April and June 2014) was to send the business case to the regional office. Later versions of the guidance (August 2014), which incorporated specific information on the business case procedure, stated that the business case should be submitted to the integrated service desk. There has been little monitoring of the submission of business cases either to regional offices or to the integrated service desk. No effort has been made to assess the business case submissions and the reasons for their rejection. To illustrate this point, one country office submitted the business case to the regional office, heard nothing more and continued *as if* it had been accepted. Other country offices reported senior level direction not to submit a business case (even if the government wanted to do so).

98. While some country offices have noted that flexibility seems to have increased over time, as recently as the 2016 mid-term review it was noted that “alignment to the modes of engagement is enforced in the newly rolled-out global programming system.”<sup>75</sup> However, the mid-term review also noted some adjustments in the approach to the modes of engagement, in particular greater flexibility in applying capacity development and knowledge management as modes of engagement:

“There will be no changes to the business model; it will continue to guide the implementation of the strategic plan through 2017. Based on the lessons learned, UNFPA will allow more flexibility, especially in capacity development and knowledge management for advocacy and policy dialogue in the pink quadrant countries”.<sup>76</sup>

99. The Strategic Plan 2014-2017 alignment guidance noted that “*a programme in a humanitarian context may engage in the full spectrum of programme strategies.*” There was no formal definition of what constituted a humanitarian context at this stage. Furthermore, the guidance added: “*However, if you have specific requests, or in need for further guidance, please present a business case*”.<sup>77</sup>

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<sup>73</sup> Ibid p.14

<sup>74</sup> SP, Annex 3, p10, para. 19

<sup>75</sup> MTR Annex 6: Alignment to the Strategic Plan, 2014-2017. Page 3.

<sup>76</sup> DP/FPA/2016/2 (Part I) Integrated midterm review and progress report on implementation of the UNFPA strategic plan, 2014-2017. Report of the Executive Director. Para 82, p15

<sup>77</sup> Toolkit (p.19)

100. In June 2015, the UNFPA Programme Division issued specific guidance on the issue<sup>78</sup>, stating again that countries in certain humanitarian contexts would not have to abide by the modes of engagement dictated by the colour quadrant. These contexts were now clearly defined and a list of 40 countries was established, representing one-third of programme countries.<sup>79</sup> In some regions, the proportion is much higher, especially the Arab States region where nearly three-quarters of countries fall into this category (see Table 8).

101. There is little guidance on how two different programming contexts are managed in parallel. If there is a disaster or a protracted crisis, such as in Turkey or Lebanon, then it requires a separate response along with the regular development programme in the country. There is limited guidance on how to manage both of these situations together. This also relates to the broader concern expressed by humanitarian and fragile contexts branch of limited guidance to country offices on the transition from humanitarian to development programming and, in turn, to the implications for the modes of engagement.

| <b>Table 8: High risk countries as a percentage of programme countries by region and quadrant</b> |                                  |                                  |                                |
|---|----------------------------------|----------------------------------|--------------------------------|
| <b>Region</b>   | <b>No of countries</b>           | <b>No of high risk countries</b> | <b>High risk as % of total</b> |
| ASRO  | 15                               | 11                               | 73%                            |
| APRO  | 22                               | 6                                | 27%                            |
| EECARO  | 17                               | 3                                | 18%                            |
| EASRO   | 22                               | 7                                | 32%                            |
| LACRO   | 20                               | 3                                | 15%                            |
| WCARO   | 23                               | 10                               | 43%                            |
| All COs   | 119                              | 40                               | 34%                            |
| <b>Quadrant</b>   | <b>No of programme countries</b> | <b>No of high risk countries</b> | <b>High risk as % of total</b> |
| Pink  | 44                               | 4                                | 9%                             |
| Yellow  | 16                               | 7                                | 44%                            |
| Orange  | 21                               | 6                                | 29%                            |
| Red   | 40                               | 23                               | 58%                            |

Source: Humanitarian Programming in the Strategic Plan Business Model: Operational Guidance for UNFPA Internal Use (June 2015)

102. A final issue related to perception about the prescriptive nature of the model of differentiated modes of engagement relates to whether it refers to core, non-core or both. Although global programming system tagging data applies to both core and non-core resources, implying that the differentiated modes of engagement apply to both, some staff members at country and regional level believed that it only applied to core.

<sup>78</sup> Humanitarian Programming in the Strategic Plan Business Model: Operational Guidance for UNFPA Internal Use (June 2015)

<sup>79</sup> Section 3: Mapping matrix

### 3.3 EVALUATION QUESTION 3: TO WHAT EXTENT DID THE ARCHITECTURE SUPPORTING THE OPERATIONALISATION OF THE STRATEGIC PLAN HELP UNFPA TAILOR ITS PROGRAMMES TO THE PRIORITY NEEDS OF COUNTRIES?

**Finding 6: The lack of conceptual clarity in the strategic plan itself, and in the guidance subsequently provided by headquarters and regional offices, has led to an uneven understanding of the modes of engagement.**

103. The strategic plan noted that a number of issues were identified during its preparation, which need to be addressed, among them the need for better policy guidance:

“UNFPA currently lacks clear policy guidance on how it will achieve impact in different settings. Although the organization produces a number of technical guidance about the specific subjects on which it works, it does not currently have policies in place that cover how it should operate across the countries in which it works. There is broad recognition that the roles that the organization focuses on in an upper-middle-income country with a limited disease burden must differ from the roles in a low income country facing a sky-high maternal mortality ratio, but at the moment there is a dearth of policy guidance to help country offices determine the most appropriate programming strategies for their context. Although there are some important benefits to having such a flexible system, the absence of policy guidance means that UNFPA is too reliant on ad hoc solutions and on individual capacities and skills, instead of having a more systematic approach that would provide some rigor in the process of determining the most appropriate modes of engagement. This guidance, though, must preserve flexibility to respond to country needs and context.”<sup>80</sup>

104. Although this absence of clear guidance on ‘how’ UNFPA works had been noted, guidance on the modes of engagement appears to have been developed quite late: e.g. on policy and advocacy in 2015 (updated 2016), on capacity development in 2016. There is not yet guidance on knowledge management.

105. There was mixed evidence on understanding of the individual modes of engagement at country level. Some country offices noted that in general they understood the modes of engagement and had access to appropriate guidance, however one particular mode – knowledge management – was identified by many country offices as being less clear and lacking guidance. The survey of country offices confirmed that clarity of the knowledge management mode was somewhat less than the other modes.

106. Some country offices were concerned that capacity development guidance is not clear enough in terms of shifting from individual to organisational capacity development and in creating an enabling environment (i.e. linking capacity development more clearly to work on policy). Research undertaken as part of the 2016 Quadrennial Comprehensive Policy Review touches upon this issue, noting that the United Nations Development System has not done enough to strengthen national systems so that they can be used more; and that the capacity of the United Nations system itself to support capacity development needs to be improved, including orienting United Nations development system staff to “adopting a systems approach to capacity development that goes beyond training” and making an

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<sup>80</sup> SP Annex 3, p7, para 11

*“investment in developing staff capacities for policy advice and knowledge brokering in middle-income countries”*.<sup>81</sup> Some country offices as well as some national partners, noted that capacity development was of a different order to the other modes of engagement. The UNFPA capacity development toolkit of May 2016 – although issued in a draft form – notes that capacity development is a mode of engagement, but also that it is an objective in twelve of the strategic plan programmatic outputs, perhaps contributing further to confusion over its application.

107. At the same time, it should also be noted that the differentiated modes of engagement were a major shift from the previous Strategic Plan 2008-2011/13, where great emphasis had been placed on capacity development as the core of the UNFPA approach (see Box 1), but was now only expected to be undertaken in half of the UNFPA programme countries. This is an example of a significant change in the way in which the organisation works, which in turn implies a change in the way in which staff work and understand their role. The limitations in the guidance are unlikely to support these kinds of behaviour changes.

**Box 1: The Strategic Plan 2008-2011 (extended to 2013) and capacity development**

- (paragraph 78) Support for national capacity development is at the core of the UNFPA strategic plan .....
- (paragraph 79) For UNFPA, capacity development is the basic foundation for creating a lasting sustainable change in the policy environment, institutions, human knowledge and skills that enable national development.
- (Paragraph 80) Capacity development will be the central thrust of the Fund’s work at the country level and will be supported with regional and global technical and programmatic resources.

108. The undg has also adjusted its views on capacity development. The interim UNDAF guidance of 2016<sup>82</sup> removed capacity development as a core programming principle (as it had been in previous UNDAF guidance), and subsumed it within the principle of sustainable development. The most recent UNDAF guidance produced in 2017<sup>83</sup> identifies capacity development as a key approach for integrated programming and notes that:

“[Capacity development] is a core function of the United Nations development system and is critical to implement the 2030 Agenda for Sustainable Development and sustain progress. The 2030 Agenda for Sustainable Development and the unifying principle of leaving no one behind demands an enhanced approach to capacity development of government and relevant stakeholders, including civil society and non-governmental organizations.”

<sup>81</sup> Capacity Development: A report prepared for the United Nations Department for Economic and Social Affairs for the 2016 Quadrennial Comprehensive Policy Review. Angela Bester. 2015

<sup>82</sup> UNDOCO. *Interim UN Development Assistance Framework Guidance*. 2016

<sup>83</sup> UNDOCO UN Development Assistance Framework Guidance. 2017 p 13

**Finding 7: The model of restricting modes of engagement in some countries does not always reflect the reality of programming (and the policy cycle) on the ground**

109. The strategic plan notes the shifting demand for UNFPA services and provides evidence from the Quadrennial Comprehensive Policy Review survey of member states<sup>84</sup> (in advance of the 2012 Quadrennial Comprehensive Policy Review resolution) that providing equipment and supplies and building or restoring infrastructure are relatively low priorities for all countries with lower- and upper-middle income countries demanding less of such services than low income countries. The survey showed that providing policy advice and technical assistance were of higher priority, and capacity development (both institution building and national capacity for policy development) were of highest priority to programme countries. The survey undertaken before the 2016 Quadrennial Comprehensive Policy Review gave similar results<sup>85</sup>. However, while this gives an indication of the shifts in demands on UNFPA, there is little to suggest that the different needs are not related.

110. Several respondents in the country office survey noted that the modes are inter-related, and that leaving some out was counter-productive. In countries classified as pink, yellow or orange, most country offices consulted insisted on the interrelated nature of the modes of engagement and, in particular, the necessary articulation of policy/advocacy interventions with knowledge management and capacity development interventions. Knowledge management interventions aiming at the generation of supporting data and evidence are often quoted as a prerequisite to policy/advocacy interventions. Strengthening the capacities of institutions and systems is also felt as an important success factor for policy/advocacy interventions.

111. A recurring perception among the national counterparts consulted in countries classified as pink or yellow, is that capacity development is often indispensable in order to achieve policy/advocacy results. Although the focus on policy/advocacy interventions is well understood and welcomed, capacity development interventions (in particular with regard to policy and/or programme planning) remain essential at sub-national level. A similar point emerged from the UNFPA census evaluation, which found that the business model in yellow and pink quadrants limited country offices' abilities to support the capacities of national statistics offices and ministries to analyse and use statistical data for policy making. One regional director noted that even in red countries, service delivery should be linked to policy/advocacy.

112. Countries interviewed from the pink quadrant agreed on the need to enhance policy work, but felt constrained by the perceived limitations on applying other modes, especially capacity development, but also in the use of service delivery for demonstration or piloting purposes. Country offices noted that

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<sup>84</sup> UN Department of Economic and Social Affairs. Results of Survey of Programme Country Governments: Preparation for the 2012 Quadrennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System. June 2012

<sup>85</sup> Department of Economic and Social Affairs Report on QCPR Monitoring Survey of Programme Country Governments in 2015. January 2016.



piloting innovative service delivery or enhancing capacity to reach marginalised or underserved populations may be necessary especially if pink/yellow quadrant countries are to achieve the 2030 Agenda for Sustainable Development objective of leaving no-one behind. The family planning evaluation<sup>86</sup> highlights this and notes that even in the context of a mature field such as family planning, while policy may be established, there may be a gap between policy and implementation, which benefits from service delivery support. The evaluation also notes that, in the case of newer technical areas, different programme strategies may be required. For example, incorporation of the demographic dividend in the national vision may require preparatory activities to build an understanding and consensus on the issue before more direct policy advocacy can take place.

113. Responses to the country offices' survey also suggest that in countries other than red, limitations on modes of engagement can also mean less ability to respond to new or emerging national priorities. Country studies also identified other drawbacks. For example, one country study of an orange quadrant country suggested that allowing greater flexibility in application of modes of engagement can help a country office to address specific bottlenecks in the focus areas of the country programme and at the same time build credibility and strengthen relationships to utilise more upstream modes of engagement to address issues in the sector. In this case contraceptive procurement (service delivery in a context where UNFPA was withdrawing from this mode) which addressed a problem which the government was unable to deal with, but which helped to put UNFPA at the centre of dialogue on broader issues around reproductive health in the country. All country offices in the pink quadrant and most countries in the yellow quadrant that took part in the country studies believed that it was inappropriate to restrict the modes of engagement.

114. As noted in the strategic plan itself, national governments are clear in what support they want from UNFPA.<sup>87</sup> In a small number of pink countries, counterparts had already urged UNFPA to focus more on policy and move away from service delivery well before the implementation of this strategic plan. In many country studies, government counterparts felt that capacity development was still important, no matter what the business model suggested the modes of engagement should be. This also links to the different approaches to capacity development (individual, institutional, enabling environment), and the potentially different requirements depending on the country context, in turn linking back to the business model. This is confirmed by the emerging results from the survey of national counterparts.

**Box 2: Definition of 3 levels of capacity development from 2017 UNDAF guidance**

- Individual capacity support focuses on improving individual skills, knowledge and performance through training, experiences, motivation and incentives.
- Organizational capacity support aims at improving organizational performance through strategies, plans, rules and regulations, partnerships, leadership, organizational politics and power structures.

<sup>86</sup> SP Annex 3 Business Model Section 1 para 5

<sup>87</sup> SP Annex 3 Business Model Section II Part C paragraph 11

- Capacity support for an enabling environment seeks to strengthen policies while ensuring policy coherence to address economic, environmental and social factors such as labour markets, the policy and legislative environment, class structure and cultural aspects.

115. Potentially the business model, and in particular the modes of engagement, are useful as a tool for country offices when discussing with counterparts how the programme will move forward. Some regional offices felt that while the modes of engagement gave sufficient flexibility within the region, they could also be a useful way to prompt country offices to consider why they wanted to take a particular approach – with the regional office able to ask difficult questions of the country office. Others felt that it was too constraining within the region.

116. Mobilisation of non-core (“other”) resources is becoming increasingly important for UNFPA (and other United Nations agencies). The country studies suggest that in countries in the pink quadrant, the focus on policy/advocacy can be a hindrance to resource mobilisation because in that context it is more difficult to demonstrate results to donors (traditional or otherwise). Demonstration projects or other tangible evidence of UNFPA work not only establish the organisation’s credibility, but also help to show what it does. Countries in this quadrant also suffer from the additional problem that there are relatively few traditional donors, such as bilaterals, and so there are potentially fewer opportunities to fundraise. Some country studies suggest that, depending on the context, the UNFPA mandate may be more of a hindrance to resource-mobilisation than the business model being applied.

**Finding 8: Alignment of human resource capacity at country level to the needs of the strategic plan has been slow and there is no evidence that processes are fully in place to ensure appropriate capacity to meet the requirements of the strategic plan.**

117. The strategic plan identifies the need to adjust human resource capacities to meet the differing needs of country offices in different quadrants. For example: in red countries, skills for managing complex projects and larger numbers of staff, in pink countries more skills in partnerships, negotiation, communication and other skills associated with policy advocacy. This is further elaborated in the Human Resources Strategy 2014-2017 which notes that UNFPA needs to deliver a series of outcomes if it is to get the right people in the right place to meet programmatic needs and apply the business model, namely: planning and placing human resources (i.e. realignment); developing talent; managing performance; and attracting and recruiting staff. The Human Resource Strategy to Action 2014-2017<sup>88</sup> document focuses specifically on developing talent as a means to ensure that staff have the skills to implement the strategic plan and associated business model.<sup>89</sup>

118. The June 2014 alignment toolkit for the strategic plan requests country offices to prepare human resource requirement plans, though it is unclear whether these should be a separate plan or subsumed

<sup>88</sup> The action plan for implementing the Human Resources Strategy.

<sup>89</sup> From Strategy to Action 2014-2017 Outcome 1.1, Output 1.4.

within the office management plan (OMP).<sup>90</sup> Country programme document approval means that country offices have a regular opportunity to adjust the skills mix to country office needs. The mid-term review of the strategic plan notes that by 2015, 114 country offices had developed human resource realignment plans,<sup>91</sup> of these, 46 per cent were completely implemented, 20 per cent were under implementation, 32 per cent were planned, and 2 per cent had been rejected. After the mid-term review, there does not appear to have been any monitoring of the implementation of human resource realignment/requirement plans.

119. The survey of country offices suggests that less than 10 per cent of offices which responded have been able to adapt their human resources (HR) capacity fully to new modes of engagement, with just less than 70 per cent of offices only partially adapting human resources, and just over 20 per cent not adapting human resource capacity at all. These human resource adjustments can be in terms of staff skills, or in numbers of staff – the latter can be an increase or a decrease. For example, in one country the categorization as red led immediately to an increase in core resources and three new staff posts. In some countries, the process of human resource realignment has been very lengthy (18 months or more). The Division for Human Resources notes that in some specific cases there have been delays in human resource alignment caused by a number of iterations of human resource plans and office management plans, including instances where the human resource plans had to be revised more than once, due to cuts in the resource ceiling for offices. The realignment of human resources to the strategic plan also occurred at the same time as a major re-organisation of the Human Resources Division, which also may have caused delays in submission or approval of human resource realignment plans.

120. Despite the links between the Strategic Plan 2014-2017 and the Human Resources Strategy 2014-2017, the detailed action plan (From Strategy to Action) identifies only one broad indicator of increased [human resource] alignment to the strategic plan and business model; there is no baseline or target identified for this indicator.

121. The Human Resources from Strategy to Action 2014-2017 notes that investment in learning was intended to be a key route to enhancing capacities in critical skills required to implement the strategic plan and associated business model. The learning budget established in 2014 was intended to enhance skills in areas such as policy and advocacy, gender based violence and the Sustainable Development Goals. This budget was cut by 75 per cent in 2015, and then by 65 per cent in 2016. Most learning is now conducted through online courses. Other aspects of the Human Resource Strategy to Action 2014-2017 document were also not fully implemented.

122. An organisational analysis was undertaken in 2015, with country offices assessing their own capacity/ skill needs. At that time, there was no organisation-wide process. A skills survey, originally proposed for 2015, is taking place now across UNFPA and will assist in identifying capacity gaps. Without

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<sup>90</sup> Aligning to the strategic plan 2014-2017: Toolkit for UNFPA offices (version June 2014). Section 1.3 p7 says no separate plan; Annex 1 suggests a plan is developed.

<sup>91</sup> The terminology – realignment plans - is slightly different to that used in the Alignment toolkit – requirement plans.

the results of this survey it is difficult to know where key gaps are, but lack of staff with policy skills was noted by the United Nations Development Operations Coordination Office as a problem in all United Nations agencies. Asia and the Pacific Regional Office noted gaps in this area and has developed tools to enhance policy/advocacy skills for staff within their region. These tools now form the basis for materials being developed by the Division for Human Resources for broader use.

123. Division for Human Resources staff acknowledged that policy/advocacy skills are limited within the organisation, but it is expected that recruitment (rather than internal capacity development) will fill gaps. The establishment of the leadership pool for middle and senior managers, with its assessment of skills in a range of issues, including policy dialogue, leadership, and resource mobilisation, is intended to identify such candidates (40 per cent of participants in the leadership assessments are external to the organisation). While the learning budget has been cut, the budget for annual leadership assessments has been maintained, with 40 participants per year over the last three years.

124. In the absence of capacity within country offices, the regional offices may be a source of support.<sup>92</sup> The resource allocation for global and regional interventions takes into account the number of pink countries, therefore there is a recognition that pink countries will require more support from regional offices. The country studies showed very few examples of direct filling of capacity gaps in country offices from regional offices. This may be due to limitations in regional office capacity: during the regional office workshops, staff noted that when there is a large number of country offices within the region, the regional office has little capacity to support country offices directly. Several respondents in the country office survey noted that regional offices also have capacity constraints which limit their ability to support the country offices. These limitations in regional office support may also be structural: while the strategic plan suggests moving away from vertical approaches, regional offices are still structured around vertical programmes which makes it difficult for them to meet the country office needs for more cross cutting and strategic approaches. In some regions, country offices have very specific technical requirements which the regional office cannot meet. For example: in Eastern Europe and Central Asia Regional Office, there is a demand for cervical cancer experts and this is not a capacity within the regional office. The strategic plan notes that the regional office should play a brokering role in such situations, linking country offices to academic or other expertise within the region, but some regional offices lack the capacity to fulfil this role.

125. The human resources strategy proposes that by the end of 2017, UNFPA will have “*approaches to support the organization to determine optimal and cost effective structuring of offices to meet the requirements of the strategic plan*”. This suggests a typology associated with the business model, which is also noted in the strategic plan<sup>93</sup>, though there has been no formal identification of such typologies. Country studies suggested that in pink countries, the demands of the internal control framework mean that offices may need staff to meet the needs of the framework, but who do not meet the needs of the business model’s modes of engagement.

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<sup>92</sup> The roles of the RO as set out in the SP are listed in paragraph 48 of this report

<sup>93</sup> Strategic Plan, Annex 3, Section III part A para 22

### 3.4 EVALUATION QUESTION 4: TO WHAT EXTENT DID THE ARCHITECTURE SUPPORTING THE OPERATIONALISATION OF THE STRATEGIC PLAN HELP UNFPA RESPOND TO CHANGES IN COUNTRY CONTEXT (INCLUDING HUMANITARIAN CRISES)?

126. The most common change in country context is the emergence of a humanitarian crisis. The evaluation did not identify any examples in the country studies of significant change in country context for any other reason.

**Finding 9: Humanitarian mainstreaming has improved particularly through a focus on preparedness, but not all elements of the architecture aimed at supporting the UNFPA response to a humanitarian crisis have been implemented.**

127. UNFPA had begun to take steps to mainstream humanitarian programming through the adoption of the Second-Generation Humanitarian Strategy in 2012, and the strategic plan re-confirmed this objective. The strategic plan identifies preparedness as the core aspect of mainstreaming humanitarian programming. Country offices noted that this has generally meant adjusting country programme indicators to bring preparedness into each outcome. Depending on the country context, mainstreaming may not involve a direct disaster management response, even in the event of a disaster: in one country study of a disaster-prone country, effective government capacity to manage disasters has meant that the role of the United Nations is focused on supporting national preparedness capacity and has moved away from direct disaster management, unless requested by the government.

128. Monitoring the mainstreaming of humanitarian issues within new country programme documents is undertaken as part of the programme review committee review process, although this is a relatively light assessment. The strategic plan alignment toolkit proposes qualitative assessments of mainstreaming in a sample of high risk countries, with aggregation at the regional and global levels, to determine the overall success of mainstreaming, but it is not clear that this work has been undertaken. Humanitarian mainstreaming was also to be monitored through follow-up to the humanitarian global consultation which took place in 2016.

129. Regional offices noted that there may be limited technical capacity available to support mainstreaming of preparedness at country level (especially in pink countries), and so the regional office may need to provide the technical lead on this (assuming the regional office has the capacity). Although the regional offices now have humanitarian focal points/ coordinators, in regions where there is high demand. Regional office staff noted that they were not always able to respond to all requests.

130. The strategic plan alignment toolkit identifies a series of strategic deliverables for humanitarian action. These are:

- High risk countries identified
- Minimum integrated service packages implemented in high risk countries
- Humanitarian capacity development plan established

- A global Humanitarian Financing Framework developed<sup>94</sup>
- Humanitarian policy guidance updated
- Humanitarian knowledge management portal established.

131. For the first of these deliverables, identification of high risk countries, there is inconsistency in identification of such countries, and the implications of being identified as high risk. The second generation strategy notes the need to prioritise preparedness in high risk countries and proposes using the global needs-assessment as the mechanism for this. The strategic plan re-emphasises preparedness in high risk countries but does not note how they will be identified. Several different lists of such countries, using different terms, and including different countries, have been identified in the toolkit on alignment.

132. This is potentially confusing to those country offices that appear in one list but not another. It is also unclear what the implications are for those countries categorised as high risk – the alignment toolkit of June 2014 refers in the main to additional resources and support available, but additional separate guidance issued in 2015<sup>95</sup> emphasises the implications for the modes of engagement, in particular, that they are dropped in the specified high risk countries, with no need for a business case. The guidance note on minimum preparedness emphasises the use of another tool, the inter-agency standing committee<sup>96</sup> emergency response preparedness approach to identifying risk.

133. The humanitarian and fragile contexts branch (HFCB) notes that since 2016, the InfoRM index<sup>97</sup>, with validation from the regional office, is the basis on which high risk countries are identified. This is also noted in the fast track procedures as the tool to identify fragile countries (for purposes other than preparedness). The minimum preparedness guidance makes a distinction between disaster prone countries, to be identified using the INFORM index, and fragile countries, identified according to the Organisation for Economic Co-operation and Development criteria;<sup>98</sup> the guidance also notes four different tools (InfoRM, the inter-agency standing committee/emergency response preparedness, the humanitarian early warning system, and the humanitarian policy group<sup>99</sup>) to be used in risk monitoring and contingency planning. Although the INFORM Index is being used in the strategic information system (SIS) to identify high risk countries to prioritise preparedness, associated guidance is less clear on how such countries are identified.

134. The minimum integrated service package is being implemented: the mid-term review of the strategic plan notes that in 2015, UNFPA helped to train partners in 48 countries in its implementation. The status of the humanitarian capacity development plan is unclear. There has been a process to develop surge capacity, but there is no direct reference to developing humanitarian capacity in the Human Resource Strategy 2014-2017, and only passing reference to learning in the Human Resource Strategy

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<sup>94</sup> Although the toolkit uses this terminology, there is no reference to it in the Strategic Plan itself. It is assumed to refer to the Emergency Fund and Humanitarian Response Reserve, discussed in Finding 10.

<sup>95</sup> Humanitarian Programming in the Strategic Plan Business Model: Operational Guidance for UNFPA Internal Use (June 2015)

<sup>96</sup> The Inter-Agency Standing Committee (IASC) was established to serve as the primary mechanism for inter-agency coordination relating to humanitarian assistance in response to complex and major emergencies under the leadership of the Emergency Relief Coordinator.

<sup>97</sup> InfoRM Index for Risk Management <http://www.inform-index.org/>

<sup>98</sup> Minimum Preparedness Guidance, p20

<sup>99</sup> Minimum Preparedness Guidance, Annex 1 Table 1 and Table 2

Action Plan. Budget cuts for learning have limited the opportunities enhance capacity. Online learning on humanitarian issues was conducted in 2016.

135. Guidance to assist country offices in humanitarian response produced as part of the second-generation strategy (standard operating procedures, fast-track procedures) has been updated.<sup>100</sup> Guidance on preparedness has also been produced, and is updated<sup>101</sup>. Despite these updates, none of the three guidance documents clarifies the relationship between it and the strategic plan business model. The strategic plan alignment toolkit, and its subsequent additions relating to humanitarian programming, was the vehicle for identifying whether and how the business model should be applied in humanitarian settings. There is no evidence that the humanitarian knowledge portal has been developed.

**Finding 10: UNFPA has successfully mobilised resources to support humanitarian crises but key mechanisms, such as the emergency fund and humanitarian response reserve, have faced resource constraints.**

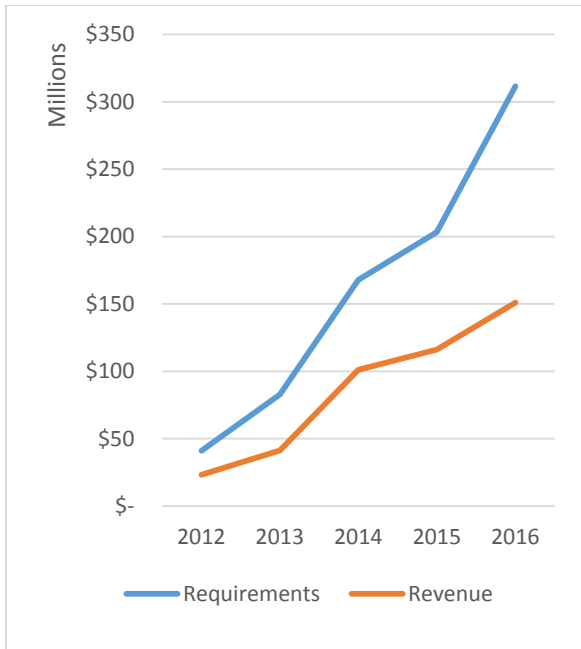
136. In recent years UNFPA has placed more emphasis on its work in humanitarian settings. Demand has increased significantly and the UNFPA request for humanitarian funds ('other resources') reached \$312m in 2016. There is an increasing gap between requests and funds received, with only 50 per cent of the requests received in 2016, but as shown in Figure 6, UNFPA is increasing its 'other resources' humanitarian funding overall. It is difficult to say whether this reflects adjustments following the introduction of the strategic plan – the picture is similar for the United Nations as a whole (see Figure 7).

**Figure 6: UNFPA humanitarian funding: requests and receipts**

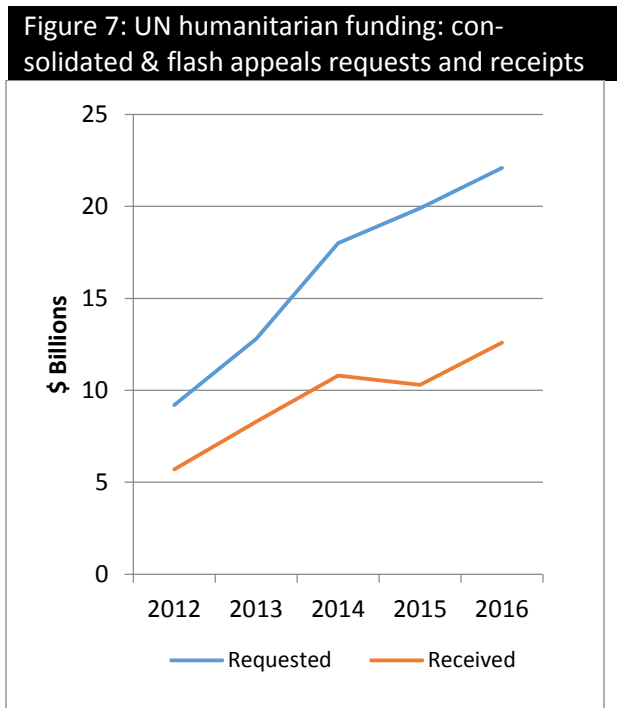
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<sup>100</sup> The UNFPA Standard Operating Procedures for Humanitarian Settings. Draft October 2015 (originally produced 2012); Policy and Procedures Manual: Fast Track Policies and Procedures, issued 2012, revision August 2015

<sup>101</sup> Guidance note on minimum preparedness 2014, revised 2016



Source: HFCB



Source: OCHA Humanitarian Funding Update Dec 2015, Dec 2016, OCHA FTS archive (2012-2014)



137. The emergency fund, originally established in 2000, is intended to provide core resources to country offices at the onset of an emergency, to cover immediate costs. Initially set at an amount of \$1m annually, this was raised to \$3m in 2006, to \$5m in 2013 and \$10m in 2015. The emergency fund was to be supplemented by the humanitarian response reserve, created in 2015, with a one-off allocation of \$10m of core resources, intended to act as a bridging fund to country offices before receipt of donor funds.

138. Distribution of the emergency fund has been timely – the time between proposal submission and approval was 2.8 days (2014), 1 day (2015) and 1.8 days (2016).<sup>102</sup> Although the 2017 board paper suggests some relatively low utilisation of funds in a number of countries, this is related to timing of the report, with expenditure data only up until November 2016, when funds can be utilised until the end of the year. Historical utilisation rates are 95-96 per cent in any given year (the funds must be spent by the end of the calendar year).

139. Due to austerity measures, despite the board-approved increases in the emergency fund and the creation of the humanitarian response reserve (HRR), allocations to the emergency fund were significantly less than originally envisaged and no funds have been allocated to the humanitarian response reserve (see Table 9).

| <b>Table 9: Financing the emergency fund and humanitarian reserve fund</b> |                | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> |
|--|----------------|-------------|-------------|-------------|-------------|
| Number of countries  | Emergency fund | 14          | 24          |             | 30          |
| EB approved ceiling  | Emergency fund | \$3m        | \$5m        | \$10m       | \$10m       |
|  | HRR            |             | \$10m       |             |             |
| Austerity allocation   | Emergency fund |             | \$5m        | \$5m        | \$2m        |
| Amount disbursed   | Emergency fund |             | \$5m        | \$5m        | \$5m        |

140. Although the humanitarian response reserve has not yet received any funds, programme division has the option to move resources from the emergency fund to the reserve. The policy and procedures regarding access to the humanitarian response reserve have been developed but not yet approved, and so at this stage it would not be possible to distribute funds from it to country offices through the humanitarian response reserve mechanism.

141. Despite the limited resources, over time the emergency fund has met a rising proportion of country requests – due to reduced allocations, which are in turn considered by HFCB to be a reflection of the greater understanding of the mechanism as a kick-start to the response, not as major programme funds. Some regional offices did note that the emergency fund was very small, and often country offices did not make applications to it because it was assumed that there were no resources available. The humanitarian and fragile contexts branch noted that although requests generally exceed resources, efforts are made to ensure that the fund is not exhausted in the early months of the year. There are also

<sup>102</sup> See Executive Board paper DP/FPA/2017/CRP.3

attempts to ensure that funds will be utilised – for requests towards the end of the year, country offices may be asked to focus on items for which expenditure will be completed quickly.

### 3.5 EVALUATION QUESTION 5: TO WHAT EXTENT DID THE ARCHITECTURE SUPPORTING THE OPERATIONALISATION OF THE STRATEGIC PLAN HELP UNFPA BECOME MORE ACCOUNTABLE TO ALL STAKEHOLDERS?<sup>103</sup>

142. The architecture supporting the operationalisation of the strategic plan was aimed at making UNFPA more accountable to stakeholders.<sup>104</sup> It would do so through increasing accountability for results through the integrated results framework and for funding, (i.e. finances and resource allocation). In addition, the organisation would need to be accountable for alignment to the strategic plan itself. Work is underway in updating and revising the UNFPA accountability framework developed in 2007<sup>105</sup> for the Strategic Plan 2008-2011. It requires an update, given that “*the organisation has moved on from the separate institutional result frameworks (DRF/MRF) to an integrated framework and many components of the framework are now either obsolete, revised, abolished or newly elements developed*”.<sup>106</sup>

**Finding 11: While the results monitoring and reporting system has been strengthened since the start of the SP, the system still faces challenges related to adaptation to the upstream orientation of the business model.**

143. The integrated results framework remains at the heart of the results monitoring and reporting mechanism. The 2014 MOPAN<sup>107</sup> report, finalised at the start of the current strategic plan, noted that the 2014-2017 Integrated Results Framework represented a significant improvement over the 2008-2011 results framework.<sup>108</sup> It also noted that among key areas for improvements “further effort could be made in providing evidence of progress towards the organisation’s stated results at the country level”.<sup>109</sup> The strategic information system/myresults was introduced in 2014 and enables UNFPA to plan and monitor progress quarterly and report on results annually.<sup>110</sup> Reporting on results to the Executive Board is undertaken through the Annual Report of the Executive Director presented at the annual meeting. Decisions of the Executive Board have appreciated the reporting on results in the annual reports of the Executive Director.<sup>111</sup>

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<sup>103</sup> Stakeholders would include national governments and citizens, Member States and the executive Board, donor organizations and other international partners.

<sup>104</sup> SP Paras 33, 34, 94

<sup>105</sup> DP/FPA/2007/20

<sup>106</sup> Accountability Framework for Development Results. Draft document produced for the internal consulting group for update of the UNFPA accountability framework 2007 (May 2016)

<sup>107</sup> Multilateral Organization Performance Assessment Network

<sup>108</sup> MOPAN *United Nations Population Fund (UNFPA). Synthesis Report. 2014.*

<sup>109</sup> MOPAN. *2014 Assessment: United Nations Population Fund (UNFPA). Main Findings. 2014*

<sup>110</sup> Report of the Executive Director: Progress made in implementation of the UNFPA strategic plan 2014-2017. Para 64

<sup>111</sup> Executive Board decisions 2016/9 (5 and 9); 2015/10 (2)

144. Although the strategic plan document described efforts made to ensure measurability of the results, there are challenges to the quality and availability of the data. These challenges were also identified by some staff at regional and country offices who suggested that integrated results framework indicators are not always appropriate for specific country contexts. For example, they do not reflect pink countries as they do not fully capture upstream work related to policy dialogue and advocacy. This issue is acknowledged in the strategic plan itself, where it notes:

“... the integrated results framework cannot possibly capture every single activity that the organisation carries out. This reflects both prioritisation – the integrated results framework is intended to focus on the most important areas for the organisation rather than being exhaustive – and the fact that some areas of work are intrinsically more challenging to measure. This is particularly the case for upstream work, and so while the integrated results framework is a significant step forward in terms of measuring the extent of advocacy and policy dialogue/advice and knowledge management work that the organisation does, it is still only a partial reflection of this work.”<sup>112</sup>

145. Moreover, like any similar system, the fundamental challenge. It could be argued that there is a plausible link between the change in outcome and UNFPA outputs, assessing the strength of the link and the degree of contribution at the country level is extremely difficult, especially in the more upstream interventions that UNFPA is increasingly undertaking. In addition to the outcome theories of change included in the strategic plan as Annex 2, UNFPA also started developing output theories of change in late 2013 with the ultimate goal “to strengthen the ability of every country office to demonstrate measurable and meaningful results that are directly attributable to UNFPA financial and technical investments in line with the Integrated Results Framework of the Strategic Plan.”<sup>113</sup> These output theories of change would need to be tailored to the country context in which they are used, if they are to really support the goal of demonstrating results. Yet inadequate support was provided to develop country-specific theories of change that could be used in this way. Moreover, interviews with country and regional office staff reveal that the corporate output theories of change were not timely, not always of adequate quality and often incomplete.

146. In 2015, UNFPA introduced an additional set of “signature indicators” (Box 3) to equip the organisation to strengthen results-monitoring and to produce “headline” numbers like other organisations such as UNDP, UNICEF, the Global Fund and the Global Alliance for Vaccines and Immunisation. They are captured on the strategic information system and the strategic plan results reporting system. Data on the signature indicators is collected either through the country office annual reports (Indicators 6, 8 and 9) or through the open-source Impact 2 model developed by Marie Stopes International (indicators 1-5). The Impact 2 model allows the linkage between intervention and the result to be estimated and is used by USAID and DFID among others.

### **Box 3: List of signature indicators**

1. Number of maternal deaths averted in a year

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<sup>112</sup> SP Annex 1 para 14

<sup>113</sup> *Integrated Results Framework and Theories of Change. FAQs* (Draft 23 January 2014)

2. Number of unintended pregnancies averted
3. Number of unsafe abortions averted
4. Number of users of modern family planning methods
5. Number of couple year protection (CYP) generated in a year
6. Number of fistula repair surgeries done under UNFPA support
7. Number of women and/or girls reached with sexual and reproductive health and/or gender-based violence services in humanitarian settings
8. Number of adolescents reached with sexual and reproductive health services
9. Number of countries with no marital status/gender legal barriers to the use of family planning by adolescents and youth

147. Yet, while the IMPACT 2 model and the signature indicators help show the contribution of service delivery interventions, the challenge of showing results for upstream activities remains. In responding to the 2014 MOPAN, the Executive Director noted that evidence on contribution to development results will come from a combination of modelling and evaluation. Specifically, the response noted that *“Evidence of contribution to [] results will mainly come from evaluations. Evaluations will also improve as evidence on achievement of outputs becomes regularly available from myResults”*. Country programme evaluations commissioned by country offices are conducted every two cycles<sup>114</sup> and there has been an increase in quality over time. The draft of the recent quality assessment report shows that over 80 per cent of such evaluations conducted in 2014 and 2015 were assessed as good or very good.<sup>115</sup> There is less information on project evaluations which are not always captured by corporate quality assessment systems or databases. Aggregation of these county level contributions for corporate reporting also poses a challenge and will require quantification of the results from evaluation.

148. In April 2016, the Executive Director sent a memo to all UNFPA country representatives concerning strengthening accountability for development results. The memo requested the representatives of the 20 countries presenting their new country programme documents to the Executive Board in 2016 to “strategically identify and define in their specific context selected high outcomes results(s) and indicator(s) from the strategic plan that they would be able to influence during the programme life cycle”. This would become the “compact of commitment” to be developed with the technical support of the Programme Division and to be tracked annually. The additional approach has the potential to address some aspects of the contribution challenge through developing country specific theories of change for the selected interventions. However, the development of strong theories of change is technically demanding (probably requiring significant guidance and support, at least in the beginning) and time-consuming. It will also need to involve national stakeholders and other partners. Comprehensive review of the process (including the human and financial costs) and not just the compacts themselves will need to be undertaken before the effectiveness of this approach can be assessed.

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<sup>114</sup> See DP/FPA/2013/5, paragraph 13(a).

<sup>115</sup> Only 50% of evaluations were rated as good or very good in the quality assessment exercise conducted in 2013. (2016 Annual Report on Evaluation DP/FPA/2016/5)

149. An additional challenge for UNFPA, and indeed all United Nations entities at the country level, is to use the corporate system to provide effective accountability to national stakeholders as well as to the Executive Board. Accountability mechanisms through the UNDAF are not always adequate, especially in terms of evaluation. A recent United Nations Joint Inspection Unit evaluation of lessons from UNDAF evaluations<sup>116</sup> concluded that “there is an alarming lack of commitment from stakeholders in the framework evaluation process, highlighted by the low level of compliance with the requirement for an evaluation and with the quality standards promoted in related guidance”.

**Finding 12: Monitoring of alignment to the strategic plan has been limited and has not continued over the life of the plan.**

150. The third area of accountability is alignment to the strategic plan itself. Issues related to alignment to the business model were discussed in earlier sections, for example in relation to the modes of engagement. In addition to preparing a body of alignment guidance described in section 2.2, a process for monitoring the implementation of the alignment plans was defined. This included the following criteria for monitoring progress in the alignment:<sup>117</sup>

- Revision and linking of programme results and resource frameworks to the Integrated Results Framework 2014-2017
- Adjustment to appropriate modes of engagement as per country classification
- Development of a partnership plan
- Development of a human resource realignment plan
- Alignment with stipulated regular resources as per Resource Distribution System 2014-2017.

151. The analyses that would be used to assess the alignment were also identified and these included:

- Analysis of the progress, as reported in the business units’ annual reports
- Assessment of the alignment of the new country programme documents prepared in 2014 and 2015 ( 43 new country programme documents were developed and assessed, through the programme review committee, which is responsible for quality assurance of new country programme documents )
- Analysis of alignment in a sample of on-going/existing programmes (47 country programmes were sampled and assessed over the two years, 24 in 2014 and 23 in 2015).

152. Of the 165 UNFPA business units, 152 reportedly prepared alignment plans,<sup>118</sup> yet these are not available in a single place and have not been analysed as a whole to learn lessons from the alignment process. The evaluation team was unable to obtain copies of these plans centrally or from the regional offices. Implementation of these plans was monitored through self-assessment by country offices for their annual reports. These reports provided the implementation rates that were made available in the mid-term review.

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<sup>116</sup> UN Joint Inspection Unit. *JIU Meta-evaluation and synthesis of united nations development assistance framework evaluations, with a particular focus on poverty eradication*. Geneva, 2016

<sup>117</sup> MTR of the SP Annex 6, Alignment to the Strategic Plan, 2014-2017

<sup>118</sup> *Ibid* page2

153. As has been noted, the global programming system assessments of alignment are different. Annex 6 of the mid-term review notes that “every work plan activity must be tagged to the GPS,” and that that “alignment to the modes of engagement is enforced” through the global programming system.<sup>119</sup> Yet, of the country programme documents that were approved by the programme review committee and found to be aligned with the modes of engagement, approximately a third are still out of alignment, according to the global programming system. Recent interviews with programme division staff reveal that monitoring alignment has effectively stopped since the alignment period envisaged (2014-2015) is over. Yet, even after the period for alignment has ended, there are still two years to go until the new strategic plan. Maintaining monitoring is essential if there is to be effective learning and feedback for improving the strategic planning process. According to global programming system figures, for example, 67 out of 118 countries have had an increase in the percentage of resources out of alignment between 2015 and 2016.

### 3.6 FINDINGS RELATED TO THE GLOBAL AND REGIONAL INITIATIVES

154. As noted in the introduction, the original scope of the evaluation was the global and regional interventions, partly due to a critical audit of the previous global and regional programmes undertaken in 2012.<sup>120</sup> In late 2015, the UNFPA Office of Audit and Investigation Services undertook a follow-up review,<sup>121</sup> which found a number of improvements as set out in Box 4 below.

| <b>Box 4: Improvements in the</b>   |
|---|
| <p>Programme design</p> <ul style="list-style-type: none"> <li>• The global and regional interventions are more clearly aligned to the UNFPA Strategic Plan 2014-2017</li> <li>• The programme review committee provided a clear quality assurance and review process for global and regional intervention action plans</li> <li>• The intended recipients of, and needs for, capacity building are better defined</li> <li>• Baselines and targets were established across all interventions</li> </ul> <p>Programme governance and management</p> <ul style="list-style-type: none"> <li>• New processes help provide an improved framework for global and regional intervention governance</li> </ul> <p>Programme execution</p> <ul style="list-style-type: none"> <li>• Global and regional intervention resource-allocations are aligned to the global and regional intervention strategic framework</li> <li>• There is potential to use multi-year work-plans to enhance the implementation of global and regional interventions</li> </ul> |

<sup>119</sup> Annex 6 MTR page 3

<sup>120</sup> UNFPA Division of Oversight Services. *Audit of the Global and Regional Programme*. Report No OED 113, 8 February 2013

<sup>121</sup> UNFPA Office of Audit and Investigation Services. *Follow-up Review to the Report No OED 113: Audit of the Global and Regional Programme*. Report No. OED 114, 17 September 2015

- System improvements have potential to provide increased control over global and regional intervention implementation

#### Monitoring and reporting

- A global and regional intervention reporting structure is in place

155. It also noted a number of remaining challenges to address and the rest of this section will use the evaluation findings to get a better understanding of these. First, on the issue of programme design, the review found problems with the results frameworks and indicators. Some of these problems largely remain, even though there were some improvements made to the results and resource frameworks following the mid-term review in 2016 (including the addition of humanitarian indicators). The ‘number of countries’ approach to monitoring in regional action plans means that much work with regional institutions is not captured. It also means it is difficult to disentangle the contribution of the country office and the regional office, which could effectively lead to double counting.

156. Second, on financial accountability, UNFPA made significant progress in ensuring greater transparency through identifying residual management costs in global and regional interventions and making the necessary adjustments. Specifically, in late 2015/early 2016, programme division and the division for management services undertook a review of the global and regional interventions to:

(a) identify any residual management costs that may still remain in global and regional interventions and move them to the institutional budget at the midterm review of the strategic plan and the integrated budget.

(b) identify any residual development effectiveness costs that may still remain in global and regional interventions and move them to the institutional budget for the next strategic plan and integrated budget cycle, 2018-2021.

As a result, there was a neutral transfer of 41 posts from global and regional interventions programme cost classification to management, in line with the harmonised cost classification definitions.<sup>122</sup>

157. Third, on programme governance and management, the review noted the lack of an overall coordination and management mechanism as well as a clear distinction between decision-making and oversight. This evaluation noted that decisions on allocation of resources to the various action plans needed to be made more transparent. This is also true, more generally, about the decisions on reducing regular resource-allocations to global and regional interventions as the result of austerity measures (finding 2). The austerity measures also point to the need for identifying a floor as well as a ceiling for global and regional intervention initiatives.

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<sup>122</sup> Midterm review of the integrated budget for 2014-2017. Report of the Advisory Committee on Administrative and Budgetary Questions

## CHAPTER 4: CONCLUSIONS AND RECOMMENDATIONS

158. The conclusions provided in this chapter correspond to reasoned judgments of the evaluation team on the architecture supporting the operationalisation of the Strategic Plan 2014-2017. They are based on the findings presented in Chapter 3 and also reflect discussions held with the evaluation reference group during the validation workshop held in New York on 15 February, 2017. While the findings generally look back to the work that UNFPA has carried out in the past, the conclusions also look forward and consider the implications of the findings within the new environment in which UNFPA works at the global, regional and national levels.

159. The recommendations follow logically from the conclusions. In formulating the recommendations, an attempt has been made to focus on broad policy issues that are relevant at a high strategic level, rather than on details of the design and implementation of projects and programmes. Specifically, the recommendations are aimed at strengthening UNFPA through the development of the architecture supporting the operationalisation of new Strategic Plan 2018-2021. To promote utility of the evaluation, a workshop was held with members of the evaluation reference group in New York on 28 March, 2017 to discuss recommendations.

### 4.1 OVERALL ASSESSMENT

160. As a first stage, the evaluation team has made an overall assessment of the architecture supporting the operationalisation of the Strategic Plan 2014-2017. The plan introduced a number of new elements in the architecture to support its operationalisation: an integrated results framework that has supported more programmatic focus, a business model, although not perfect, that has helped the reorientation towards upstream work, and a resource allocation system that has ensured that a greater proportion of core resources are allocated to countries with the greatest need. The strategic plan also proposed the development of a unified funding architecture; this was achieved to some extent with the introduction of the non-core resource management policy. The other plan for strengthening the funding arrangements, introducing performance-based resource allocation, was not implemented. Without committing itself in the strategic plan, UNFPA also improved transparency in the global and regional interventions, established the global programming and strategic information systems, and introduced the compact of commitment in an attempt to increase accountability for results. The focus on gender and rights were also maintained and strengthened through the architecture (for example in the resource allocation system and the integrated results framework). It did the above while facing significant externally-driven challenges, including a major decline in the availability of regular resources and an increase in humanitarian demand.

161. Overall, efforts to establish the architecture supporting the operationalisation of the strategic plan can be positively assessed, but it is clear that major implementation challenges remain and that lessons can be learned to develop a stronger architecture for the next strategic plan. The following three conclusions represent the key messages that the evaluation presents to UNFPA management. They aim



at complementing other efforts within the organisation to prepare the strategic plan, including the ongoing structural review.<sup>123</sup>

162. These three conclusions cover the set of findings, but not all the issues raised in the previous chapter. Many of the issues identified are generic to development organisations, for example, in relation to data quality and timeliness for resource allocation, or the increasing difficulty in identifying contribution to development change as programmes move upstream. These are challenges faced by all development agencies and indeed are faced in all public administrations and the private sector when making strategic choices. The solutions should therefore not only be found in UNFPA but across the United Nations development system, building on the existing collaborative work to build consistent frameworks such as those of the integrated budget and integrated results frameworks. Member states have insisted that this cooperation intensifies and the 2016 Quadrennial Comprehensive Policy Review is clear that in the future, the process of harmonising the strategic plans of the entities of the United Nations development system will need to deepen (even if such harmonisation and collaboration may create challenges with completing strategic plans to schedule).

## 4.2 CONCLUSIONS

**Conclusion 1:** Classification of countries based on country needs and ability to finance is at the heart of the architecture supporting the operationalisation of the strategic plan. It has been useful for resource-allocation and contributed to the focus of resources to countries with the greatest needs. However, perception of restricted modes of engagement in pink, yellow and orange countries, means that programming strategies have not always been flexible enough to promote national ownership and programme responsiveness. These restrictions are part of a centralisation of decision-making in the organization and a move away from the country focus, as promoted in the transition business plan for 2012-2013. This is also reflected in the performance monitoring and reporting system, which is focused more on corporate needs and less on learning and accountability at the country level.

Based on findings: 2, 3, 4, 5, 6, 7, 11

163. While the resource allocation system has resulted in a greater proportion of core resources allocated to countries with the largest needs and lowest ability to finance, the system could be strengthened through taking into account other factors, such as national capacity. However, some of these factors are difficult to quantify and any resource allocation system inevitably suffers from data quality, consistency and timeliness challenges. At the same time, the decline in core resources has made the accurate allocation of these resources less critical. Current efforts to adjust the system, for example to take more account of inequality or humanitarian context, may be useful and other factors where quantification is difficult can be captured in the resource distribution system, where regionally led adjustment to allocations make sense.

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<sup>123</sup> The structural review is a process commissioned by the Executive Director to identify and propose changes that will enable the adoption of a more cost-efficient operating structure, while maintaining programme effectiveness.

164. Regarding programming strategies, more important than the misconceptualisation of the modes of engagement, is the perception that they restrict flexibility to implement the appropriate “how” of UNFPA work. The need for programming to stay within “what” UNFPA does is clear and not only has this been successful, but it was noted that focus has increased within the parameters of the bull’s eye. But ‘how’ UNFPA works needs to be flexible. The rationale behind the model of differentiated modes of engagement is often the idea that “one size does not fit all” but equally, it could be said that the four sizes of the colour quadrants do not fit all.

165. During the strategic plan period, efforts have been made to enhance monitoring and reporting on performance, specifically efforts to improve the systems for performance reporting, including bringing together the global programming and strategic information system platforms. However, also during this period, additional monitoring indicators and frameworks have been introduced (the signature indicators and compact of commitment), which are not clearly linked to the reporting of performance against the strategic plan and, especially in the case of the signature indicators, are intended to serve the needs of headquarters. While there will always be the need for this type of information, focusing monitoring and reporting efforts here detracts from addressing the well-known difficulties of measuring contribution at country level to corporate outcomes.

**Conclusion 2:** The substantial efforts made to support alignment to the strategic plan were impeded by lack of corporate preparedness and, given this unpreparedness, an unrealistic timeframe to address alignment in all its dimensions. Moreover, the introduction of the strategic plan was not accompanied by a comprehensive change management process across the whole organisation. Such a process should have led to better integration of alignment guidance with existing processes, policies and strategies (for example, the policy and procedures manual). Organisational plans and strategies were not explicit on how they would deal with changing levels of resource (decrease or increase). In addition, the implementation of specific elements of the architecture of the strategic plan as envisaged in the strategic plan document (unified funding architecture, performance-based resource-allocation, etc.) should have been better defined and a plan for their implementation clearly articulated and then monitored. Going forward, the challenge will be to implement these changes in the context of a more coordinated and coherent approach to strategic planning in the United Nations development system, where reaching agreement among agencies may cause delays and where a single entity cannot be held accountable for change.

Based on findings: 1, 2, 5, 6, 8, 9, 12

166. The Strategic Plan 2014-2017 built upon decisions made following the previous strategic plan and introduced some new ideas and approaches to the organisation, none more so than in the business model. In the business model, the emphasis was placed on country classification (and associated modes of engagement), while key elements, such as partnerships or humanitarian contexts, were presented in a less detailed manner.

167. Although alignment to the strategic plan at all levels was seen as essential, it was only partially

implemented. Not only were there challenges to the implementation of the model of differentiated modes of engagement according to country classification, but in many areas, for example results monitoring, the organisation did not seem to reflect the move upstream and away from service delivery that was so key in the new strategy.

168. The alignment often appeared to be implemented in parallel to the ongoing business of the organization. In some places, well-integrated into mainstream structures (such as the programme review committee) but in others not so apparently, especially in humanitarian programming. The alignment process also focussed on compliance rather than organisational change (i.e a change in the mind-set and capacities of all UNFPA staff to undertake what was proposed in the strategic plan). The alignment was also insufficiently monitored and mechanisms were not established to do so in all its dimensions. This is especially true in the case of monitoring implementation of the various aspects of the architecture itself that were to be implemented during the programme.

**Conclusion 3:** Although there has been progress in strengthening the architecture for operationalising the strategic plan, it is not yet aligned to the requirements of the new environment within which UNFPA operates. Specifically, the 2030 Agenda for Sustainable Development calls for an approach to programming building on the interrelated efforts to deliver on the interdependent Sustainable Development Goals. Achieving these goals will require an enhanced approach to capacity development as well as greater integration through stronger and more strategic partnerships. The business model, which reflects the “how” of UNFPA work, is not comprehensive enough to address these emerging demands.

Based on findings: 4, 5, 6, 7

169. The country studies have emphasised that the modes of engagement are inter-related (although this does not mean that each country programme should always implement all four). This is supported more broadly by the principles outlined in the 2016 Quadrennial Comprehensive Policy Review, and in the 2030 Agenda for Sustainable Development, which notes the need to utilise a range of appropriate means of implementation for achieving the Sustainable Development Goals. It is clear that, as countries progress along the spectrum from low-income to middle-income and beyond, they will require different types of support from UNFPA, and also clear that countries’ requests for service delivery or support to service delivery from UNFPA will decrease.

170. The modes of engagement in the current strategic plan are not all equal, and capacity development (except in the most prosaic sense, for example, training) is a broader concept to which the other modes of engagement contribute. Capacity development is a central purpose of the United Nations Development System, identified in the Quadrennial Comprehensive Policy Review, 2030 Agenda for Sustainable Development and the Sendai Framework, among others. By placing capacity development as one of a number of modes of engagement, the strategic plan has diminished its emphasis. That being said, the integrated results framework of the strategic plan clearly places national capacity at the core of many of its indicators, suggesting that indeed, building capacity is a key objective of UNFPA work. Capacity development in the broad sense fits alongside other principles, such as national ownership, leaving no-

one behind, universality and human rights which are central to the environment in which UNFPA operates. Applying new principles, such as leaving no one behind, will require different approaches and a change in mind-set of UNFPA staff across the organization.

171. UNFPA has – quite rightly – emphasised in its strategic plan the need for strong partnerships if the International Conference on Population and Development agenda is to be met. The need for such partnerships will increase as the momentum builds behind delivering the Sustainable Development Goals. 2030 Agenda for Sustainable Development makes clear that the United Nations development system will need to work more coherently and through more coordinated partnerships to provide integrated policy advice. Additionally, partnerships beyond the United Nations development system will be required to deliver the Sustainable Development Goals.

172. Although partnerships are part of the strategic plan business model, there has been little change in the way in which UNFPA undertakes or manages partnerships. There is little evidence of the type of strategic partnerships which the strategic plan envisages at country level and the little guidance to country offices on how to develop such partnerships may have contributed to this situation.

173. The business model reflects the “how” of UNFPA work and, in the both the strategic plan document and the business model annex 3, it goes beyond the four modes of engagement to discuss issues related to partnerships, work in humanitarian contexts and regionalisation. Other elements of the “how”, specifically those related to the broad 2030 Agenda for Sustainable Development are not adequately covered and integrated in a manner to provide a comprehensive business model for the organisation.

#### **4.3 RECOMMENDATIONS**

174. The recommendations below are derived from the conclusions (as indicated in the boxes below) and are designed to be the responsibility of the appropriate unit of UNFPA (the “target” of the recommendation). It may be that other UNFPA units could also be responsible for undertaking actions and it is assumed that any response to a recommendation would be undertaken in a consultative manner as is already the practice in the organization. Each recommendation also provides the rationale based on the findings and conclusions as well as specific operational suggestions. These suggestions are to help the target of the recommendation put it into action and are effectively ideas and options that could be used in developing the management response.

Some of these recommendations and/or corresponding operational suggestions should be addressed together with the rest of the United Nations development system. This is in line with the 2016 Quadrennial Comprehensive Policy Review and Executive Board recommendations to promote greater coherence through preparing the new strategic plan in collaboration with other entities in the United Nations development system. This affects the timing of the implementation of the recommendation and of specific operational suggestions. There are issues that have to be addressed immediately within the framework of developing the next strategic plan. There are others, where United Nations system wide collaboration is required, where inevitably the work will take longer, possibly in time for the developing

of the strategic plan starting in 2022. A box summarising existing and possible future areas of cooperation can be found at the end of this section.

175. The recommendations have been grouped into two areas. The recommendations in the first area aim at supporting the development of a stronger business model and increasing country focus. These recommendations are drawn from conclusions 1 and 3. The recommendations in the second area aim at supporting the process of preparing and implementing the forthcoming Strategic Plan 2018-2021. These recommendations are drawn from conclusion 2.

### Area 1: developing a stronger business model and increasing country focus

|   |
|---|
| <b>Recommendation 1:</b> Disconnect the existing modes of engagement from country classification, apart from service delivery, which will only be undertaken in red countries and in humanitarian contexts. |
| Priority: Very High<br>Target: Programme Division/Regional Offices  |

Rationale: UNFPA needs to support national ownership (within the mandate of the organization and clear operational parameters set by the Executive Board) and ensure that the programming strategies adopted in country programmes respond to the specific needs of the country.

Specific operational suggestions:

- Use table 10 below to illustrate the revised approach
- Ensure mechanisms are in place so that countries know when they have the flexibility to engage in service delivery at the onset of a localised crisis
- An exception to the model could be made where small scale service delivery projects are implemented as part of a pilot or demonstration project that directly lead to policy development or strengthening policy implementation
- In exceptional circumstances orange, yellow or pink countries could undertake service delivery using non-core resources but would need to submit a strong justification to the regional office for submission to headquarters
- Build capacity and empower programme staff at the country level to work with national partners to identify the appropriate programming strategies (with a framework of corporate guidance)
- regional offices should support country office in identifying the appropriate programme strategy within the flexible business model and to provide quality assurance of programming strategies
- regional offices should fully engage country offices when developing regional programmes and projects to ensure that they reflect country office needs and respond to national priorities.

| <b>Table 10: Reconceptualising the use of the models of differentiated modes of engagement</b> |            |               |               |             |
|--|------------|---------------|---------------|-------------|
|  | <b>Red</b> | <b>Orange</b> | <b>Yellow</b> | <b>Pink</b> |

|                                  |   |   |
|----------------------------------|---|---|
| <b>Non-humanitarian contexts</b> | All modes of engagement possible including service delivery | All modes of engagement possible with the exception of service delivery |
| <b>Humanitarian contexts</b>     |   |   |

|  |
|--|
| <b>Recommendation 2:</b> In the Strategic Plan 2018-2021, reconceptualise the modes of engagement and clarify their relationship to capacity development |
| Priority: High<br>Target: Programme Division   |

**Rationale:** Capacity development is a core function of the United Nations development system and is critical to implement the 2030 Agenda for Sustainable Development and sustain progress.<sup>124</sup> It is included as a key approach for integrated programming in the UNDG UNDAF guidance and refers to the capacities of government and other relevant stakeholders, including civil society and non-government organisations.<sup>125</sup> Through implementing the recommendation, UNFPA will be better placed to articulate its role in supporting capacity development through its various modes of engagement.

**Specific operational suggestions:**

- Remove capacity development from the list of modes of engagement and consider it in a broad sense, recognising its three levels (individual, institutional and enabling environment<sup>126</sup>), in line with UNDG UNDAF guidance (and the companion guidance on capacity development)
- Provide a clear definition of each mode of engagement
- Ensure that programme design reflects the interrelated nature of modes of engagement
- Indicate how the modes of engagement are meant to ultimately contribute to capacity development
- Engage with UNDG/DOCO on clearer understanding/ guidance on how United Nations development systems can contribute to capacity development in different country contexts

|   |
|---|
| <b>Recommendation 3:</b> Enhance accountability for results as well as learning at country level through strengthening the country level capacity for monitoring and evaluation and promoting national capacity to undertake country level evaluations. |
| Priority: High<br>Target: Programme Division/Regional Offices/Country Offices   |

**Rationale:** The modelling of impact through the signature indicators and the IMPACT 2 model has allowed UNFPA to show better evidence of its contribution to results from its service delivery activities in key areas of its work. Strengthening of monitoring and especially of country level evaluation is now necessary to

<sup>124</sup> UNDG UNDAF Guidance. February 2017

<sup>125</sup> *ibid*

<sup>126</sup> The three levels of capacity development are described in Box 2 in section 3.3 (finding 7).

provide evidence of development contribution from more upstream areas of intervention. For UNFPA, such improvement in monitoring and evaluation will also allow better organisational learning and strengthen corporate knowledge management activities.

Specific operational suggestions:

- Prioritise efforts to contribute to national and/or regional capacity development for conducting evaluations and undertake these efforts in collaboration with other United Nations entities.
- It is important to integrate learning from evaluation into mainstream corporate knowledge management activities.
- Strengthen the regional office role in supporting the development of UNFPA country office capacity to commission and manage evaluations and, more broadly, of country/regional capacity for conducting evaluations

**Area 2: preparing for operationalisation of the Strategic Plan 2018-2021 and subsequent strategic plans.**

The following recommendations relate to the need to develop systems and processes that will support alignment to the strategic plan and thus its operationalisation. Although Recommendations 5 and 6 could be considered operational suggestions under Recommendation 4, they are considered to be of such importance that they have been formulated as recommendations in their own right.

It should also be noted that within the reforms to the architecture supporting the operationalisation of the strategic plan, ensuring effective change staff behaviour is a complex task. While improvements in guidance or policy as well as stronger communications are essential elements in the process, they will not be enough to deliver behavioural change. The organisation will need to understand the incentive structures and develop appropriate incentives for the changes to take place.

**Recommendation 4:** Develop and implement a comprehensive change management process to enable the organisation at all levels to implement the upcoming and subsequent strategic plans to deliver on 2030 Agenda for Sustainable Development and the Sustainable Development Goals

Priority: High

Target: Deputy Executive Director (Management)

Rationale: Taking a strategic view of the direction the organisation is going will assist in delivering 2030 Agenda for Sustainable Development objectives over the longer term, through a series of strategic plans. This will include not only programme but also human resources, financing and accountability. A clear change management process will also support the change in mind-set and capacities of UNFPA staff which are necessary to bring about the changes expected in the Strategic Plan 2014-2017 and which will be carried forward in subsequent strategic plans.

Specific operational suggestions:

- Establish an inter-divisional working group under the leadership of the Deputy Executive Director to develop a plan for change management including a clear timeline and covering the whole organisation

- Ensure the change management plan builds upon a stocktaking of current individual capacities and future capacity requirements
- The inter-divisional working group to design, coordinate and monitor the change management process, including monitoring implementation of commitments made in strategic plans.
- Make clearer the role of the human resource strategy in supporting the organisation to deliver the strategic plan
- Within the change management plan, consider different scenarios for levels of funding and how these may affect UNFPA ability to deliver all aspects of the strategic plan
- Ensure that change management reflects any adjustments which may be initiated through the Quadrennial Comprehensive Policy Review’s requested review of functions and development of a system-wide strategic document, and maximises opportunities for United Nations coherence

**Recommendation 5:** Make the architecture supporting the operationalisation of the strategic plan an effective communication tool.

Priority: High

Target: Programme Division, Media and Communications Branch

Rationale: The business model should provide comprehensive information on the “what”, “where”, “how” and “who” of UNFPA work in various contexts/situations. It needs to do this in a way that ensures that all staff and stakeholders fully understand the organisation and the way it works. The evaluation has focused on the architecture supporting operationalisation of the strategic plan, but it should also be acknowledged that there are drivers for behaviour change within the organisation. These drivers will also need to be identified and addressed if the strategic plan is to fulfil its objectives.

Specific operational suggestions:

- Add clear engagement principles to the business model (consistent with 2030 Agenda for Sustainable Development, the International Conference on Population and Development, outcome of the World Humanitarian Summit, etc.) to guide how UNFPA works (such as national ownership, leave no one behind, human rights, or results focus).
- Articulate more clearly the ‘how’, ‘when’ and ‘who’ aspects of the business model and better articulate the modes of engagement, country classification, partnerships, and humanitarian mainstreaming
- Ensure the business model is consistent with UNDAF guidance (for example, the UNDAF principles for integrated programming)
- Develop communications products from the strategic plan Executive Board document which assist the organisation to communicate what it does and how it works
- Ensure the role of the regional office is clear as a key intermediary in communication of the strategic plan and the business model, using these products.

**Recommendation 6:** Develop an integrated package of guidance for operationalising the Strategic Plan 2018-2021 before the start of the plan, through updating existing guidance and preparing new guidance as necessary.

Priority: Very High



Target: Deputy Executive Director(P) with Programme Division, Technical Division, Division of Management Services, Director of Human Resources, Management Information Systems Team, Regional Office

Rationale: The existing guidance was insufficiently coordinated, coherent, consistent or timely. For the next strategic plan new guidance will be necessary to ensure effective implementation. While the “what” may remain in the new strategic plan, in order to align to the new 2030 Agenda for Sustainable Development and the realities of the new resource environment, the “where”, “how” and “who” will need to change, in some areas, significantly.

Specific operational suggestions:

- Establish an inter-divisional working group under the leadership of the Deputy Executive Director (P) and with participation of the target business units.
- IDWG to review all internal guidance, policies and procedures, identify gaps, examine the broader environment, establish priorities and develop a strategy for effective guidance supported by an effective IT platform
- Establish a portal through which all policy, procedures, guidance and toolkits can be accessed
- Pay special attention to human resource guidance, policies and procedures which support establishment of the appropriate human resource structure.
- Ensure the role of the regional office is clear as an intermediary on strategic plan guidance, ensuring that guidance is well understood and relevant to the region by supplementing with regional examples
- Ensure guidance links humanitarian and development programming and makes clear when countries shift in to or out of a humanitarian programming context
- Ensure consistency with broader UNDG guidance
- Use specialists in communications to ensure the guidance is clear and robust.

**Recommendation 7:** Utilise the country programme document process to ensure alignment of new country programmes to the strategic plan, and support country offices which have already started a country programme document cycle to align incrementally according to their context.

Priority: Medium

Target: Programme Division, Regional Offices

Rationale: Rooting alignment within the country programme document process will remove the possibility of an alignment process running in parallel to the ongoing business of the organisation. Changes need to be made in the context of the longer-term adjustments being made to meet the Sustainable Development Goals and 2030 Agenda for Sustainable Development over a series of strategic plans.

Specific operational suggestions:

- Quality assurance and monitoring of country programme document alignment continues through the programme review committee
- Headquarters to identify core elements of alignment that country offices need to undertake immediately

- Regional office to work with each country office with an ongoing country programme document to support immediate alignment on core elements, and determine an appropriate approach to ensure other elements are aligned more gradually.

#### **Box 5: Areas for collaboration with the United Nations system**

The Quadrennial Comprehensive Policy Review process has led to much greater coordination between the funds and programmes on a number of issues: the strategic planning cycle, the integrated budget and the integrated results framework all reflect collective work. The 2016 Quadrennial Comprehensive Policy Review continues this, calling for further work on integrated results and resources frameworks (alongside improving results-based management). It also calls for working collaboratively to progress from humanitarian action to development assistance in countries. It suggests taking a whole-of-system response to support countries in the continuum from humanitarian action to disaster risk reduction to development and sustaining peace.

A number of the recommendations made here should be undertaken by UNFPA in coordination with other agencies of the United Nations development system. Four, in particular, stand out and would be issues on which UNFPA is well-placed to share its experience, or would be enhanced by a collaborative approach:

- Reconceptualising the modes of engagement and their relationship to capacity development. A key aspect of this is clarity on the terminology and meaning of different modes of engagement, as well as how different modes can together provide effective programme strategies in different country contexts
- Clarification of the nature of the engagement principles in the strategic plan and how they relate to the principles outlined in UNDAF guidance
- Guidance on the humanitarian to development transition
- Building national and regional evaluation capacity