Multilateral Organisation Performance Assessment Network

Organisational Effectiveness Assessment

United Nations Environment Programme (UNEP)

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Preface

The Multilateral Organisation Performance Assessment Network (MOPAN) is a network of donor countries with a common interest in assessing the organisational effectiveness of multilateral organisations. MOPAN was established in 2002 in response to international fora on aid effectiveness and calls for greater donor harmonisation and coordination.

Today, MOPAN is made up of 16 donor countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, The Netherlands, Norway, Republic of Korea, Spain, Sweden, Switzerland and the United Kingdom. For more information on MOPAN and to access previous MOPAN reports, please visit the MOPAN website (www.mopanonline.org).

Each year MOPAN carries out assessments of several multilateral organisations based on criteria agreed by MOPAN members. Its approach has evolved over the years, and since 2010 has been based on a survey of key stakeholders and a review of documents of multilateral organisations. MOPAN assessments provide a snapshot of four dimensions of organisational effectiveness (strategic management, operational management, relationship management, and knowledge management). MOPAN does not examine an organisation's development results.

MOPAN 2011

In 2011, MOPAN assessed five multilateral organisations: the Food and Agricultural Organization (FAO), the Inter-American Development Bank (IDB), the United Nations Environment Programme (UNEP), the United Nations High Commissioner for Refugees (UNHCR), and the United Nations Relief and Works Agency (UNRWA).

MOPAN Institutional Leads liaised with the multilateral organisations throughout the assessment and reporting process. MOPAN Country Leads monitored the process in each country and ensured the success of the survey.

MOPAN Institutional Leads	Multilateral Organisation
Norway and The Netherlands	Food and Agricultural Organization (FAO)
Spain and Denmark	Inter-American Development Bank (IDB)
Switzerland and United Kingdom	United Nations Environment Programme (UNEP)
Norway and Belgium	United Nations High Commissioner for Refugees (UNHCR)
Sweden and Finland	United Nations Relief and Works Agency (UNRWA)
MOPAN Country Leads	**Countries**
Canada and Australia	Bangladesh
Switzerland and Denmark	Bolivia
Germany and Spain	Brazil
France	Burundi
Spain	Ecuador
Germany and Finland	Nepal
Germany and Canada	Peru
Canada	Tanzania
Switzerland and Norway	Jordan
Norway and Austria	Lebanon
Ireland and Austria	Palestinian territories
Switzerland and Norway	Syrian Arab Republic

Acknowledgements

Acronyms

GEO	Global Environment Outlook
KPI	Key Performance Indicator
MI	Micro-Indicator
MLF	Multilateral Fund for the Implementation of the Montreal Protocol
MOPAN	Multilateral Organisation Performance Assessment Network
MTS	Medium-Term Strategy
NGO	Non-governmental organisation
OIOS	Office of Internal Oversight Services
RBM	Results-Based Management
UNEP	United Nations Environment Programme

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Executive Summary

This report presents the results of an assessment of the United Nations Environment Programme (UNEP) conducted by the Multilateral Organisation Performance Assessment Network (MOPAN). MOPAN assesses the organisational effectiveness of multilateral organisations based on a survey of stakeholders and a review of documents. MOPAN does not assess an organisation's development results.

The role of the United Nations Environment Programme is to be the leading global environmental authority that sets the global environmental agenda, that promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system and that serves as an authoritative advocate for the global environment.[1]

For over ten years, governments have deliberated on how to improve the effectiveness and efficiency of the international environmental governance system (including UNEP). This is one of the major issues on the agenda of the UN Conference on Sustainable Development that will be held in Rio de Janeiro in June 2012 (Rio+20). Since 2008, UNEP has been implementing a management reform process to improve its effectiveness based on a re-definition of its sub-programmes and the introduction of a matrix management approach.

In 2011, MOPAN assessed UNEP based on information collected at the organisation's headquarters and in eight countries: Bangladesh, Bolivia, Brazil, Burundi, Ecuador, Nepal, Peru, and Tanzania. The survey targeted UNEP's direct partners, peer organisations, and MOPAN donors based in-country and at headquarters. To account for UNEP's limited country presence and capture its normative work, direct partners and peer organisations at the regional and global level were also invited to participate. A total of 215 respondents participated in the survey. MOPAN's document review assessed UNEP through an examination of publicly available corporate documents and country programming documents from the countries selected.

MOPAN assessments provide a snapshot of four dimensions of organisational effectiveness (strategic management, operational management, relationship management, and knowledge management). The main findings of the 2011 assessment of UNEP are summarised below.

Strategic Management

In strategic management, MOPAN established criteria to determine if a multilateral organisation has strategies that reflect good practices in managing for results. Overall, the 2011 assessment found that:

- UNEP has made considerable progress in becoming a more results-oriented organisation. With the implementation of its results-based Medium-Term Strategy and Programme of Work for 2010-2011, the organisation significantly changed the architecture of its programming and introduced six new sub-programmes to be implemented in cooperation with and across its divisions. UNEP's new matrix management approach also provides a more coherent and results-oriented approach to programming. However, as noted in the 2010-2013 Medium-Term Strategy, the transformation into a fully results-based program is an on-going process that will be achieved over several programming cycles.

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[1] Nairobi Declaration 1997

- UNEP was rated highly for mainstreaming environmental governance and integrating gender equality as thematic priorities into policies, projects and programs. There is room for improvement in its definition and articulation of the importance of human well-being at the overall strategic level.[2]

- Though not required by UN programming procedures, some improvements could be made in UNEP's presentation of results indicators at the output level. While the indicators used to measure progress against expected accomplishments are accessible in a single organisation-wide plan, indicators for the outputs of sub-programmes are found only in various project documents and are therefore difficult to identify and track.

Operational Management

In operational management, MOPAN established criteria to determine if a multilateral organisation manages its operations in a way that supports accountability for results and the use of information on performance. Overall, the 2011 assessment found that:

- UNEP's strongest areas of performance relate to its procedures for financial accountability,[3] its implementation of evaluation recommendations, its performance assessment and incentive systems for staff and senior management, and its efforts to delegate decision making.

- UNEP has made progress in results-based budgeting although there is still room for improvement in this area.

- UNEP's recently developed Accountability Framework and individual agreements for the delegation of authority to regional directors demonstrate its commitment towards a stronger regional and country presence and accountability for the implementation of the Medium-Term Strategy.

- UNEP could do better in disclosing its own criteria for allocating program resources, although it is recognised that the actual allocation of program resources is the result of a negotiating process among governments. However, UNEP has established a Task Team to increase the transparency of its resource allocation decisions, and a new practice will be piloted in the forthcoming allocation.

- UNEP has a procedure for following up on evaluation recommendations and has well defined roles and responsibilities for ensuring compliance and the implementation of recommendations.

- The absence of an organisation-wide risk management framework is considered an area for improvement, and UNEP's use of performance information in adjusting and revising policies could be improved.

Relationship Management

In relationship management, MOPAN established criteria to determine if a multilateral organisation is engaging with its partners at the country level in ways that contribute to aid effectiveness. Overall, the 2011 assessment found that:

- UNEP is highly valued by its stakeholders for its contributions to policy dialogue, its respect for partner views and perspectives, and its significant influence on environmental policies.

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[2] At UNEP the concept of human well-being mainly addresses human well-being across generations. See section 3.3.2, KPI 3 for further discussion.

[3] Most of UNEP's financial practices are guided by the policies, procedures and services of the UN Secretariat, the UN Board of Auditors, and the UN Office of Internal Oversight Services (OIOS).

- UNEP has developed a partnership strategy to institutionalise and enhance its engagement and collaboration with partners. It manages relationships with a complex array of partners: governments; businesses and industries, academic and research institutions, local authorities, Parliamentarians, international nongovernmental organisations, and intergovernmental organisations, including UN agencies.

- Stakeholders acknowledge UNEP's efforts to harmonise arrangements.

- Some stakeholders feel that UNEP could improve its procedures to respond to changing circumstances and its administrative procedures, which are seen to affect the efficiency of project implementation.

Knowledge Management

In knowledge management, MOPAN established criteria to determine if a multilateral organisation has reporting mechanisms and learning strategies that facilitate the sharing of information inside the organisation and with the development community. Overall, the 2011 assessment found that:

- UNEP's Evaluation Office works independently from programmatic divisions and meets UN norms and standards for independence. It has also established acceptable approaches to ensure the quality of evaluations.

- The Evaluation Office has strong plans for the frequency of evaluations and level of evaluation coverage and two sub-programme evaluations have already been initiated in 2011. According to the evaluation plan, the remaining sub-programmes will be evaluated in 2012 and 2013.

- UNEP's collection and dissemination of lessons learned is considered strong, based on the approach described in its *Framework of Lessons from Evaluation*.

- UNEP's Programme Performance Reports present generally clear information on progress toward expected accomplishments, but progress at the output level is not clear due to the incomplete formulation of indicators (as noted above in strategic management).

Conclusions

The following conclusions of the assessment provide some main messages that can contribute to dialogue between MOPAN, UNEP and its partners.

This is the first time that MOPAN has conducted an assessment of UNEP.

- **UNEP provides regional and global perspectives on critical environmental issues** – UNEP's global and regional focus and its role as a convenor are seen as two of its strengths. Many stakeholders agree that UNEP offers a global reference point on a wide range of critical environmental issues of concern for the international community, and commended the organisation for the way it uses its normative role and related scientific expertise.

- **UNEP has demonstrated commitment to managing for results** – In 2008, UNEP embarked on an ambitious reform process to become more results-focused and increase its organisational effectiveness. It has changed the architecture of its programming and operating structure to improve coordination within the organisation, eliminate duplication of work, and remove the "silo mentality". Its new matrix management approach involves the implementation of six sub-programmes across divisions and management results have been introduced in the proposed biennial programme and support budgets for 2012-2013. UNEP's transformation into a fully results-based organisation is an on-going process that will be achieved over several programming cycles.

- **Human well-being[4] is not consistently reflected in UNEP's strategy and programs** – UNEP has integrated a focus on human well-being in a number of initiatives such as its Green Economy Initiative and the Poverty and Environment Initiative and this issue is addressed in the planning of projects. However, there is no evidence of a wider programmatic approach or organisational policy in this area.

- **UNEP's criteria for program resource allocation are not transparent** – Although it is recognised that the actual allocation of UNEP program resources is the result of a negotiating process among governments, primarily through the Committee of Permanent Representatives, UNEP could do better in disclosing its own initial criteria for allocating program resources. UNEP has established a Task Team to improve its practices in this area and a new procedure will be piloted in the forthcoming allocation.

- **UNEP stakeholders value its contributions to policy dialogue and its respect for the views of its stakeholders** – UNEP's contributions to policy dialogue are highly valued. When asked to describe UNEP's strengths, many respondents mentioned its contributions to policy dialogue and its significant influence on environmental policies. Its contributions to policy dialogue also received the highest score of all key performance indicators in the survey.

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[4] This is an admittedly broad concept that encompasses poverty reduction and other socio-economic issues. See section 3.3.2, KPI 3 for further discussion.

Overall MOPAN Ratings of UNEP

The chart below shows the ratings on the 18 key performance indicators that MOPAN used to assess UNEP in 2011. These indicators were designed to measure organisational effectiveness (practices and systems), not development results on the ground. The indicators were adapted to reflect the unique mandate and operating structure of the organisation. UNEP was a supportive and willing partner in this process.

UNEP received scores of adequate or better on all key performance indicators assessed by survey respondents, and document review ratings ranging from very weak to very strong.

	Survey Respondents	Document Review
STRATEGIC MANAGEMENT		
1 Providing direction for results	4.27	4
2 Corporate focus on results	3.98	5
3 Focus on thematic priorities	4.35	5
4 Country and regional focus on results	4.30	6
OPERATIONAL MANAGEMENT		
5 Resource allocation decisions	3.91	1
6 Linking resource management to performance	3.83	4
7 Financial accountability	4.12	5
8 Using performance information	4.13	5
9 Managing human resources	3.81	5
10 Performance oriented programming	4.20	4
11 Delegating decision making	4.14	5
RELATIONSHIP MANAGEMENT		
12 Supporting national plans	4.13	NA
13 Adjusting procedures	3.63	NA
14 Contributing to policy dialogue	4.77	NA
15 Harmonising procedures	4.29	NA
KNOWLEDGE MANAGEMENT		
16 Evaluating external results	4.11	5
17 Presenting performance information	4.29	3
18 Disseminating lessons learned	3.88	5

Legend	
Strong or above	4.50-6.00
Adequate	3.50-4.49
Inadequate or below	1.00-3.49
Not assessed in the document review	NA

1. Introduction

1.1 MOPAN

This report presents the results of an assessment of the organisational effectiveness of the United Nations Environment Programme (UNEP) that was conducted in 2011 by the Multilateral Organisation Performance Assessment Network (MOPAN).). In 2011 MOPAN also assessed four other multilateral organisations: the Food and Agricultural Organization (FAO), the Inter-American Development Bank (IDB), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), and the Office of the United Nations High Commissioner for Refugees (UNHCR).

Background

MOPAN was established in 2002 in response to international fora on aid effectiveness and calls for greater donor harmonisation and coordination. The purpose of the network is to share information and experience in assessing the performance of multilateral organisations. MOPAN supports the commitments adopted by the international community to improve the impact and effectiveness of aid as reflected in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. MOPAN's processes and instruments embody the principles of local ownership, alignment and harmonisation of practices, and results-based management (RBM).

MOPAN provides a joint approach (known as the Common Approach) to assess the organisational effectiveness of multilateral organisations. The approach was derived from existing bilateral assessment tools and complements and draws on other assessment processes for development organisations – such as the bi-annual Survey on Monitoring the Paris Declaration on Aid Effectiveness and annual reports of the Common Performance Assessment System (COMPAS) published by the multilateral development banks. In the long term, MOPAN hopes that this approach will replace or reduce the need for other assessment approaches by bilateral donors.

MOPAN assesses four dimensions of organisational effectiveness

MOPAN has defined organisational effectiveness as the extent to which a multilateral organisation is organised to contribute to development and/or humanitarian results in the countries or territories where it operates. It does not assess a multilateral organisation's contributions to development results.

Based on a survey of stakeholders and a review of documents, MOPAN assessments provide a snapshot of a multilateral organisation's effectiveness in four dimensions:

- Developing strategies and plans that reflect good practices in managing for development results (strategic management)

- Managing operations by results to support accountability for results and the use of information on performance (operational management)

- Engaging in relationships with direct partners and donors at the country level in ways that contribute to aid effectiveness and that are aligned with the principles of the Paris Declaration (relationship management)

- Developing reporting mechanisms and learning strategies that facilitate the sharing of knowledge and information inside the organisation and with the development community (knowledge management).

Purpose of MOPAN assessments

MOPAN assessments are intended to:

- Generate relevant, credible and robust information MOPAN members can use to meet their domestic accountability requirements, and fulfil their responsibilities and obligations as bilateral donors

- Provide an evidence base for MOPAN members, multilateral organisations and direct partners to discuss organisational effectiveness and in doing so, build better understanding and improve organisational effectiveness and learning over time

- Support dialogue between MOPAN members, multilateral organisations and their partners, with a specific focus on improving organisational effectiveness over time, both at country and headquarters level.

The MOPAN methodology is evolving in response to what is being learned from year to year, and to accommodate multilateral organisations with different mandates. For example, the indicators and approach for the 2011 MOPAN review of humanitarian organisations were adapted to reflect the reality of these organisations.[5]

MOPAN assessment of UNEP

This is the first time UNEP has been assessed by MOPAN.

1.2 Profile of UNEP

UNEP was established in 1972 following the UN Conference on the Human Environment, which proposed that an intergovernmental body be created to serve as the environmental authority of the UN system.

Structure and Governance

Headquartered in Nairobi, Kenya, the organisation promotes its activities throughout the world with eight liaison offices, six regional offices, six out-posted offices, and five scientific advisory groups. Its administrative structure includes an Executive Office, seven divisions, as well as eight Secretariats for Conventions. In 2010, UNEP employed 1,160 staff; women make up 60 per cent of its workforce.

UNEP governance is ensured by a Governing Council and its subsidiary organ, the Committee of Permanent Representatives. The representatives of 58 nations who compose UNEP's Governing Council are elected for four-year terms by the UN General Assembly, based on the principle of equitable regional representation. The responsibilities of the Governing Council are to assess the state of the global environment, determine UNEP's programme priorities, and approve the budget. The Governing Council reports to the General Assembly through the Economic and Social Council.

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[5] MOPAN recognises the special nature of humanitarian assistance and its focus on saving lives and reducing suffering in natural and conflict-related disasters. The politically and time-sensitive nature of crisis response tends to focus greater attention on maintaining core humanitarian principles and on operational considerations such as speed of response, flexibility, and quality of coordination with other international actors over other development programming considerations such as sustainability and the thoroughness of longer-term planning. The MOPAN 2011 framework for assessing organisational effectiveness was adjusted accordingly.

Mission and Mandate

UNEP's mission is to provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their quality of life without compromising that of future generations.

The core elements of UNEP's focused mandate are to: analyse the global environment and assess global and regional trends, provide policy advice, early warning on environmental threats, and to promote international cooperation and action based on the best scientific and technical capabilities available; further the development of international environmental law; advance the implementation of agreed international norms and policies; strengthen its role in the coordination of environmental activities in the UN system; promote awareness and facilitate cooperation in the implementation of the international environmental agenda; and provide policy and advisory services to governments and relevant institutions.[6] UNEP is also an implementing agency of the Global Environment Facility (GEF) and the Multilateral Fund for the Implementation of the Montreal Protocol (MLF).

Finance

Apart from a small contribution from the United Nations Regular Budget, UNEP depends on voluntary support. In 2010 its income was $218.2 million, with voluntary contributions from the Environment Fund ($79.2 million) and earmarked contributions ($126 million). Although UNEP has invited governments to make their contributions to the Environment Fund to give the Governing Council more latitude in determining the Programme of Work and the priorities of the organisation, 62 per cent of voluntary contributions in 2010 were earmarked.

Reform Initiatives

In 2008, UNEP embarked on a management reform process to become a fully results-focused entity. It overhauled the architecture of its programming in order to deliver as "One UNEP" and replaced division-specific work with six cross-cutting sub-programmes to be implemented across all divisions. By doing so, UNEP sought to improve coordination within the organisation, eliminate duplication of work, and remove the "silo mentality". In UNEP's new management framework, the Medium-Term Strategy 2010-2013 (MTS) is being implemented through a complex matrix management approach that involves six divisions implementing six sub-programmes across the divisions. UNEP is also revising its approach to monitoring and evaluation and strengthening its accountability mechanisms. As highlighted in its 2010-2013 Medium-Term Strategy (MTS), the transformation into a fully results-based entity is an on-going process that will be achieved over several programming cycles.

UNEP is also engaged in a UN system-wide reform process concerning international environmental governance and has started to make incremental changes to improve its systems. It is revising its management practices to improve the delivery of services to the multilateral environmental agreements it administers and has created a resource mobilisation section within its Executive Office to ensure long-term financial planning and security.

The international community is expected to take a decision on strengthening international environmental governance at the UN Conference on Sustainable Development (Rio+20) in Rio de Janeiro in June 2012.

The UNEP website is: www.unep.org.

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[6] This is a summary of the core elements of UNEP's focused mandate as presented in the 1997 Nairobi Declaration (UNEP/GC.19/L.44/Rev.1).

2. MOPAN Methodology – 2011

2.1 Overview

Background

In 2009, MOPAN began to apply a new methodology known as the "Common Approach," which broadens and extends the reach of the annual assessments that MOPAN has conducted since work began in 2003. The Common Approach draws on a survey of stakeholder perceptions and a review of documents published by the organisations assessed and other sources to examine organisational systems, practices and behaviours that MOPAN believes are important for aid effectiveness and that are likely to contribute to development or humanitarian results in the field.[7] The assessment is structured around four areas of performance (called quadrants) – strategic management, operational management, relationship management, and knowledge management.

MOPAN's methodology has changed significantly in the last two years and comparisons of this year's assessments with previous assessments should take this into consideration. The following is a summary of the MOPAN methodology in 2011.[8]

MOPAN 2011

In 2011, MOPAN assessed the effectiveness of five multilateral organisations: the Food and Agriculture Organization (FAO) of the United Nations, the Inter-American Development Bank (IDB), the United Nations Environment Programme (UNEP), the United Nations High Commissioner for Refugees (UNHCR), and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

The assessment of UNEP included perception data from MOPAN donors at headquarters and from respondents in the following countries: Bangladesh, Bolivia, Brazil, Burundi, Ecuador, Nepal, Peru, and Tanzania. [9] The scope of the assessment included UNEP's work as a whole, including what UNEP does as part of its GEF and MLF projects as well as its work with Multilateral Environmental Agreements (MEAs).[10]

Key Performance Indicators and Micro-indicators – Within each performance area, organisational effectiveness is described using key performance indicators (KPIs) that are measured with a series of micro-indicators (MIs). UNEP was assessed using 18 KPIs and 59 MIs. These indicators were adapted to reflect UNEP's limited country presence, and where necessary, the unit of analysis was shifted from the country to the project, sub-programme, or region.

The indicators were assessed using data from a survey and document review. The survey collected perception data from a variety of stakeholders, which are described in Section 2.2. The review of documents relied on a set of criteria that provided a basis for the assessment of each micro-indicator. The approach to document review is described in Section 2.3.

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[7] Whether or not a multilateral organisation contributes to the achievement of results also depends on how it addresses development or humanitarian issues, the instruments it uses, the scale of its interventions, and the country contexts in which it operates.

[8] The full methodology is presented in Volume II, Appendix I.

[9] MOPAN criteria for country selection include: multilateral organisation presence in-country, presence and availability of MOPAN members, no recent inclusion in the survey, the need for geographical spread. UNRWA and IDB required special considerations in 2011 because of their regional mandates.

[10] The document review focused on documents produced by UNEP or policies and procedures directly governing its practices.

The survey did not assess all micro-indicators; some were assessed only through document review. Consequently, some charts do not show survey scores for each KPI or MI. The full list of MIs assessed for UNEP is provided in Volume II, Appendix V (KPI and MI Data by Quadrant).

2.2 Survey

MOPAN gathered stakeholder perception data through a survey of MOPAN donors, direct partners, recipient governments, and peer organisations as shown in Figure 2.1. MOPAN donor respondents were chosen by MOPAN member countries. The direct partner and peer organisation respondents were identified by UNEP.

Figure 2.1   UNEP Survey Respondent Groups

Respondent groups	Description
Direct partners	• Governments, civil society organisations and international organisations receiving direct assistance from UNEP.
Donors at headquarters	• MOPAN member representatives based at headquarters in the MOPAN country with oversight responsibility for the multilateral organisation
	• MOPAN member representatives based at the permanent mission
Donors in-country	• MOPAN member representatives in country/regional offices (including embassies) who are familiar with the multilateral organisation
Peer organisations	• International, regional or national civil society organisations, environmental NGOs, universities, think tanks, UN organisations and national agencies that are collaborating with UNEP and contributing to the work of the organisation.

The survey was customised for UNEP and could be completed either online or offline (paper, email, or interview) in English, French, Spanish or Portuguese. See Volume II (Appendix II) for the UNEP survey. Individual responses to the survey were confidential to the independent consultants managing the online survey or collecting data offline in the field.

Respondent Ratings – Survey respondents were presented with statements describing an organisational practice, system, or behaviour and asked to rate the organisation's performance on a scale of 1 to 6 as shown below.

Figure 2.2   Respondent Rating Scale

Score	Rating	Definition
1	Very Weak	The multilateral organisation does not have this system in place and this is a source of concern
2	Weak	The multilateral organisation has this system but there are important deficiencies.
3	Inadequate	The multilateral organisation's system in this area has deficiencies that make it less than acceptable.
4	Adequate	The multilateral organisation's system is acceptable in this area.
5	Strong	The multilateral organisation's system is more than acceptable, yet without being "best practice" in this area.
6	Very Strong	The multilateral organisation's system is "best practice" in this area.

In some cases, not all survey questions were answered, either because: 1) the individual chose not to answer, or 2) the question was not asked of that individual. In these cases, mean scores were calculated using the actual number of people responding to the question. As noted in the methodology (Volume II, Appendix I), 'don't know' survey responses were not factored into the calculation of mean scores. However, when the proportion of respondents answering 'don't know' was considered notable for a micro-indicator, this is indicated in the report.

The responses of various categories of respondents on the six choices, plus 'don't know' are summarised across all survey questions in Figure 2.3.

Figure 2.3   UNEP - Distribution of Responses (n=215) on all Questions related to Micro-Indicators
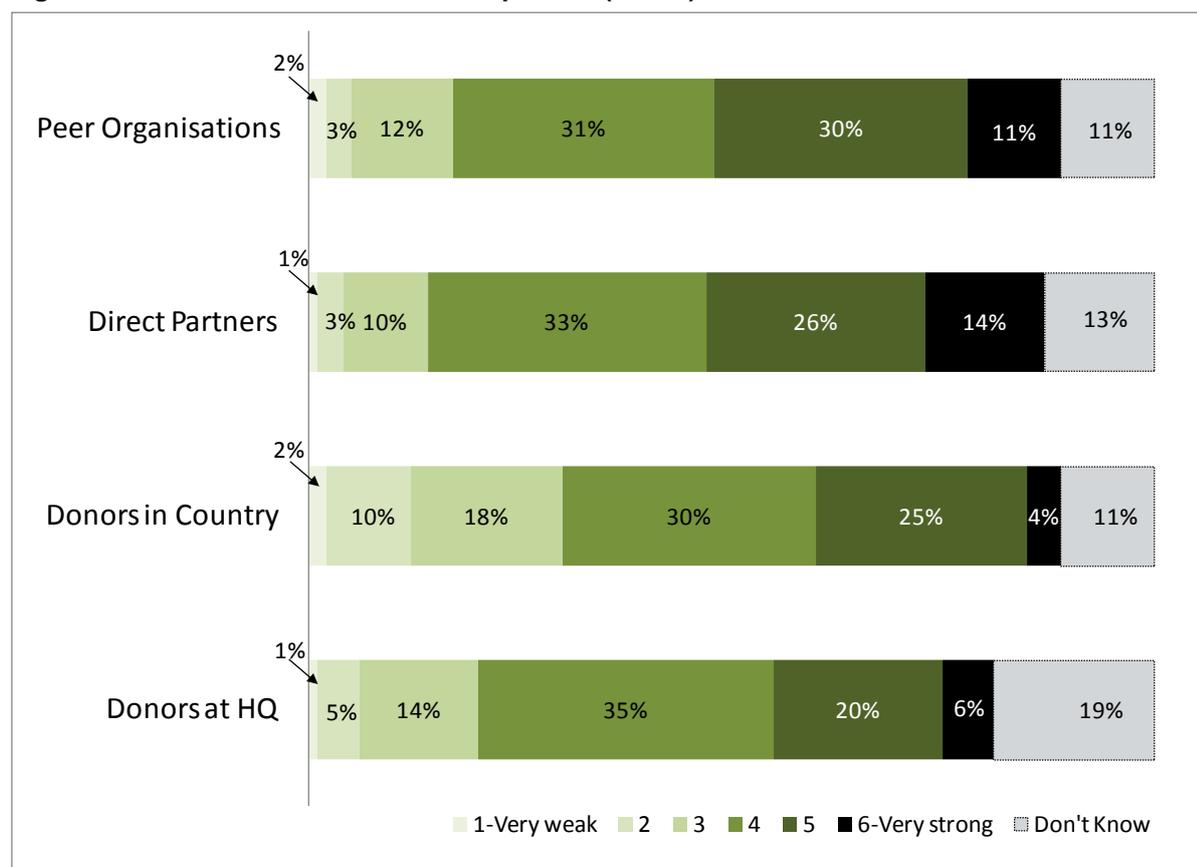
While there were responses in all six possible choices, relatively few responses overall were at the 'weak' end of the scale. Over one-fifth of the responses from donors at headquarters were 'don't know,' which is slightly higher than the level of 'don't know' responses for other groups. (More data on distribution of responses for respondents can be found in Volume II, Appendix III.)

Survey Response Rate

MOPAN aimed to achieve a 70 per cent response rate from donors at headquarters and a 50 per cent response rate among the population of respondents in each of the survey countries (i.e., donors in-country, direct partners, and peer organisations). The number of respondents targeted in each category (the total population) and the actual response rates are presented in Figure 2.4 below. Response rates for donors at headquarters and direct partners achieved the targets set for these groups, while those of peer organisations and donors in-country fell short; the poor response of these two groups is discussed in the subsequent section on limitations. UNEP survey results reflect the views of 215 respondents, 48 of which were government officials.

Figure 2.4   Number of Survey Respondents for UNEP by Country and Respondent Group

Location	Actual Number of Respondents (Total Population)				
	Peer organisations	Direct partners	Donors in country	Donors at headquarters	Total
Bangladesh		20 (22)	2 (3)		22 (25)
Bolivia		11 (21)	1 (1)		12 (22)
Brazil		18 (35)	0 (4)		18 (39)
Burundi		14 (20)	-		14 (20)
Ecuador		8 (14)	-		8 (14)
Nepal		9 (21)	1 (4)		10 (25)
Peru		26 (33)	1 (6)		27 (39)
Tanzania		7 (32)	4 (5)		11 (39)
Other locations[11]	35 (101)	7 (32)	-		42 (133)
Total	35 (101)	120 (230)	9 (23)	51 (72)	**215 (426)**
Response Rate	**35%**	**52%**	**39%**	**71%**	**50%**

Converting Individual Ratings to Mean Scores

As noted above, individuals responded to survey questions on a six-point scale where a rating of "1" meant a judgment of "very weak" up to a rating of "6" intended to represent a judgment of "very strong." MOPAN calculated a mean score for each group of respondents (e.g., donors at HQ). Since the mean score for a group of respondents was not necessarily a whole number (from 1 to 6) MOPAN assigned numerical ranges and descriptive ratings for each range (from very weak to very strong) as shown in Figure 2.5.

Figure 2.5   MOPAN Ranges and Descriptions

Range of the mean scores	Rating
1 to 1.49	Very Weak
1.50 to 2.49	Weak
2.50 to 3.49	Inadequate
3.50 to 4.49	Adequate
4.50 to 5.49	Strong
5.50 to 6.00	Very Strong

Please note that the ranges are represented to two decimal places, which is simply the result of a mathematical calculation and should not be interpreted as representing a high degree of precision. The ratings applied to the various KPIs should be viewed as indicative judgments rather than precise measurements.

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[11] To account for UNEP's limited country presence and capture its normative work, direct partners and peer organisations at the regional and global level were also invited to participate.

Data Analysis

First level survey data analysis included calculations of mean scores, standard deviations, frequencies, 'don't know' responses, and content analysis of open-ended questions. The 'don't know' responses were removed from the calculation of mean scores, but the proportion of respondents choosing 'don't know' was retained as potentially useful data.

A weighting scheme was applied to ensure that no single respondent group or country[12] was under-represented in the analysis. Due to the fact that the numbers of survey respondents differ – both among respondent categories and among survey countries– a weighting factor was applied to the survey data based on the survey response rate. The weighting was designed to give equal weight to: 1) the views of each respondent group and 2) the countries where the survey took place. The mathematical basis for the weighting is described in Volume II, Appendix I.

Second level analysis examined differences in the responses among categories of respondents and when significant differences were found, these are noted in the report.[13] For a full description of survey data analysis see Volume II, Appendix I.

2.3 Document Review

The document review considered documents provided by UNEP, available on its website, or available through other websites of the UN system. For most micro-indicators, five criteria were established which, taken together, were thought to represent good practice in that topic area. The rating on any micro-indicator depends on the number of criteria met by the organisation. While the document review assessed most micro-indicators, it did not assign a rating to all of them (when criteria had not been established for best practice on that MI). There were also instances where micro-indicators were only assessed by document review (when survey respondents could not be expected to have the required knowledge). Consequently, some charts do not show document review or survey scores for each KPI or MI.

The document review and survey used the same list of micro-indicators, but some questions in the document review were worded differently from those in the survey. The document review and survey also used the same rating scale, but scores are presented separately on each chart in the reports to show their degree of convergence or divergence.

2.4 Strengths and Limitations of Methodology

MOPAN continues to improve methodology based on the experience of each year of implementation. The following strengths and limitations should be considered when reading MOPAN's report on UNEP.

Strengths

- The MOPAN Common Approach is based on the core elements of existing bilateral assessment tools. In the long term, MOPAN hopes that this approach will replace or reduce the need for other assessment approaches by bilateral donors.

- It seeks perceptual information from different perspectives: MOPAN donors (at headquarters and in-country), direct partners/clients of multilateral organisations, peer organisations, and other relevant stakeholders. This is in line with the commitments made by donors to the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action regarding harmonisation, partner voice, and mutual accountability.

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[12] For the UNEP assessment, the primary countries are the Common Approach countries and the 'other locations' grouping in which direct partners and MOPAN members were surveyed,

[13] The normal convention for statistical significance was adopted (p≤.05).

- It complements perceptual data with document review, thus adding an additional data source. This should enhance the analysis, provide a basis for discussion of agency effectiveness, and increase the validity of the assessment through triangulation of data sources.

- The reports undergo a validation process, including multiple reviews by MOPAN members, and review by the multilateral organisation being assessed.

- MOPAN strives for consistency across its survey questions and document review for each of the multilateral organisations, while allowing for customisation to account for differences between types of multilateral organisations.

Limitations

Data sources

- The MOPAN Common Approach asks MOPAN members and the organisations assessed to select the most appropriate individuals to complete the survey. MOPAN sometimes discusses the selection with the organisation being assessed; however, MOPAN has no means of determining whether the most knowledgeable and qualified individuals complete the survey.

- The document review component works within the confines of an organisation's disclosure policy.

Data Collection Instruments

- Three issues potentially affect survey responses. First, the survey instrument is long and a fatigue factor may affect responses and rates of response. Second, respondents may not have the knowledge to respond to all the questions (e.g., survey questions referring to internal operations of the organisation, such as external and internal audit practices, seem difficult for many respondents, who frequently answered 'don't know.') Third, a large number of 'don't know' responses may imply that respondents did not understand certain questions.

- The rating choices provided in the MOPAN survey may not be used consistently by all respondents, especially across the many cultures involved in the MOPAN assessment. One potential limitation is 'central tendency bias' (i.e., a tendency in respondents to avoid extremes on a scale). Cultural differences may also contribute to this bias as respondents in some cultures may be unwilling to criticise or too eager to praise.

Triangulation of Data

- The validity of assessments is enhanced when multiple data sources are combined. While the Common Approach combines a stakeholder perception survey and a review of documents that can provide corroborating data (e.g., evaluation reports), it does not include interviews, focus groups, and other data collection methods with the organisation's staff or other respondents that could be helpful in analysing an organisation's current results-oriented behaviours, systems, and procedures.

Data Analysis

- MOPAN's practice of weighting responses according to the number of respondents in each category amplifies the voices of the smaller groups of respondents. The relatively large number of responses of UNEP's direct partners and donors at headquarters, in contrast to the very small number of responses of donors in-country, for example, underscores the need for caution in interpreting comparisons of the scores on the charts involving these categories.

- While the document review can comment on the contents of a document, it cannot assess the extent to which the spirit of that document has been implemented within the organisation (unless implementation is documented elsewhere).

Basis for judgment

- Although MOPAN used recognised standards and criteria for what constitutes good practice for a multilateral organisation, such criteria do not exist for all of the MOPAN indicators. As a result, many of the criteria used in reviewing document content were developed by MOPAN in the course of the assessment process. The criteria are a work in progress and should not be considered as definitive standards.

- In the document review, low ratings may be due to unavailability of organisational documents that meet the MOPAN criteria (some of which require certain aspects to be documented explicitly).

- The Common Approach assessment produces numerical scores or ratings that appear to have a high degree of precision, yet can only provide general indications of how an organisation is doing and a basis for discussion among MOPAN members, the multilateral organisation, and the organisation's direct partners and peer organisations.

Despite some limitations, the Assessment Team believes that the data generally present a reasonable picture of systems associated with the organisational effectiveness of multilateral organisations.

3. Main Findings

3.1 Introduction

This chapter presents the findings of the 2011 MOPAN assessment of UNEP. Findings are based on respondent survey data and document reviews.

- Section 3.2 presents overall ratings on the performance of UNEP and summarises respondent views on its primary strengths and areas for improvement;
- Section 3.3 provides findings on each of the four areas of performance (strategic, operational, relationship, and knowledge management).

3.2 Overall Ratings

This section provides a summary of overall ratings. It includes: survey respondent ratings of UNEP's overall internal effectiveness, survey respondent views on UNEP's strengths and areas for improvement, and survey and document review ratings for all key performance indicators.

Survey ratings of UNEP internal effectiveness

MOPAN has defined 'internal effectiveness' as the extent to which a multilateral organisation is organised to support partners to produce and deliver expected results. Respondents were asked, "How would you rate the overall internal effectiveness of UNEP?" As shown in Figure 3.1, direct partners and peer organisations provided a higher percentage of high ratings (5 and 6) than other respondent groups.

Figure 3.1   Overall Ratings of Effectiveness by Respondent Group
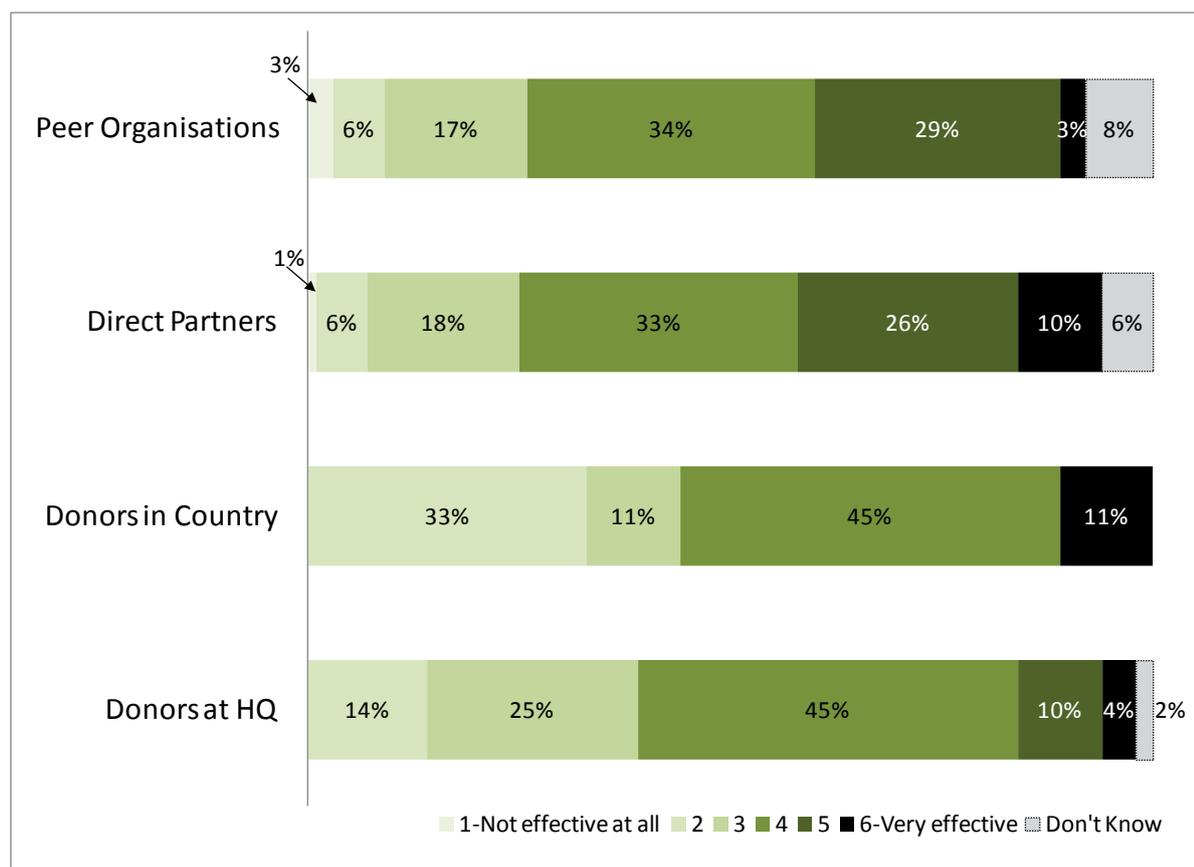
Respondents' Views on UNEP's Strengths and Areas for Improvement

The survey included two open-ended questions that asked respondents to identify UNEP's greatest strengths and areas for improvement. Out of 215 respondents, 213 provided responses to both questions.

Respondents in all categories consider UNEP's greatest overall strengths to be the expertise and technical skills of its staff, and the relevance of its mandate and position in the international architecture. Many respondents also commented positively on its organisational effectiveness and regional and global profile.

UNEP was commended by 24 per cent of respondents (51) for the skills, technical knowledge and support provided by its staff. Respondents noted in particular the level of professionalism of UNEP staff, their knowledge of global and

> **Survey Respondent Comments on UNEP Strengths**
>
> *People working with UNEP are highly professional and willingness to support/achieve UNEP's and individual country's goals related to environmental commitments. (Direct partner)*
>
> *Its expertise, particularly with regard to international environmental governance, knowledge of national issues and processes, and trends and needs with regard to sustainable use of biodiversity and conservation of the environment. (Peer organisation)*
>
> *Tested competence in world-class capacity building, in addition to being a renowned repository of international environmental knowledge, expertise and best practices, resulting in, inter alia, linking policy and science. This was evident by keeping the global environment under constant scientific review and assessment. Useful examples include GEO reports which were instrumental in raising global awareness of major environmental priority issues. (Peer organisation)*
>
> *It is mandated as the UN organisation to look after environmental issue. The role of UNEP is widely accepted all over the world. (Direct partner)*
>
> *UNEP's particular strength consists in facilitating international environmental policy making. UNEP is uniquely placed to contribute to the development of international environmental law by providing up to date information and raising awareness about the state of the environment and by then providing the space for the international community to develop coordinated policy responses in reaction to the state of the environment. (Donor at headquarters)*
>
> *Its global representation and that it is seen as being a champion of the environment and nature. It does have a strong image of representing the technical side of justifying protecting the environment, rather than of partisan interests. (Peer organisation)*

local environmental issues, their commitment, and generally high level of technical support.

UNEP's mandate, relevance and position in the international architecture were recognised as strengths by 14 per cent of respondents (29). They noted that UNEP's normative mandate and position in the international architecture put the organisation in a unique position to focus on global and regional environmental issues while playing a convening role in relation to other UN entities. The clarity and importance of UNEP's mandate was also mentioned.

According to 13 per cent of respondents (28), UNEP's regional and global focus constituted its greatest strength. Many respondents noted that this profile matched well with the regional and global ramifications of environmental issues such as climate change and other global and regional environmental problems.

Respondents suggested that UNEP's administrative procedures could be more efficient and that its lack of national presence had a negative impact on local understanding and in-country effectiveness. Some respondents also mentioned the need to improve its coordinating role across the UN system.

Almost one-fifth of respondents (41) who commented on UNEP's areas for improvement pointed to the need for the organisation to improve its administrative procedures and overall organisational efficiency. Respondents most frequently mentioned that UNEP's procedures in relation to funding were slow and complex and in some cases delayed the implementation of programmatic activities.

According to 17 per cent of respondents (36), UNEP's lack of country presence constituted one of its weaknesses. Many respondents noted that a strengthened country presence would improve the organisation's knowledge about local issues, and contribute to better and more influential policy dialogue. Several respondents also mentioned that the lack of country presence had a negative effect in relation to communication and implementation of activities.

Finally, 11 per cent of respondents felt that UNEP could do more to coordinate across the UN system and foster links between different stakeholders, including organisations outside the UN family. They particularly mentioned issues such as its coordination role in mainstreaming the environment across the UN system and duplication of work between UN agencies in areas such as climate change.

Overall Ratings of Key Performance Indicators

Figure 3.2 below shows scores from both the document review and the survey on the key performance indicators (KPI) of the MOPAN 2011 assessment. The grey bar presents the survey score, while the black diamond presents the document review score. For example, on the first indicator, "providing direction for results", UNEP received a score of 4 (adequate) from the survey, and a score of 4 (adequate) from the document review.

> **Survey Respondent Comments on UNEP Areas for Improvement**
>
> *The first and the foremost, UNEP capacity to be present at the country level have to be increased substantially where environmental concerns are a major issue, both in terms of human and funding. (Donor in-country)*
>
> *Understanding how national government works, in terms of designing their development frameworks and how they implement them so that the advice given by UNEP does not fall on the sidewalk. (Direct partner)*
>
> *It lacks the potential to act in a swift and timely manner to assist governments on the ground in instances of environmental events that affect communities and the environment - it is too detached. Also UNEP lacks the mechanism to help governments comply with the provisions of MEAs to ensure meaningful and less differentiated implementation. (Direct partner)*
>
> *The organisation is a UN organisation with a heavy bureaucracy. It could improve its procedures in relation to funding and vacancy posts. It is very cumbersome to enter into agreement with UNEP on even small amounts of funding to various purposes. Also there have been very negative experiences with UNEP in relation to application for a vacant post (the post have now been vacant for almost a year and no proper information has been provided neither to [our government] or to the applicant). (Donor at headquarters)*
>
> *I think UNEP could be more effective if they reduce the level of bureaucracy and they focus more on impacts. Sometimes I feel they consider more important to look good rather than to be good. (Peer organisation)*
>
> *Budget preparations and reporting are cumbersome and the reporting format gives only administrative reporting, and less applicable to reporting real scientific or technical achievements. (Peer organisation)*

In the overall ratings from the survey and document review, UNEP was seen to perform adequately or better on the majority of key performance indicators.

In the survey, UNEP received scores of adequate or better on all KPIs.

In the document review, UNEP received scores of adequate or better on 12 out of 14 KPIs.[14]

The survey and document review ratings differed on 9 KPIs – two of which were rated lower by the document review than by survey respondents, and the opposite for the remaining seven. The possible reasons for these differences are discussed in the following sections on specific KPIs. In some cases, the scores are different because the document review and the survey respondents rated the same MI from different perspectives.

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[14] While KPIs and MIs were considered in the document review, not all were rated. In addition, not all MIs were rated by survey respondents. See section 2.3.

Figure 3.2 Overall Ratings on Key Performance Indicators (mean scores, all respondents and document review ratings)

♦ Document Review Score

▬ Survey Score

Very Weak 1.00 -1.49	Weak (1.5-2.49)	Inadequate (2.5 -3.49)	Adequate (3.5-4.49)	Strong (4.5-5.49)	Very strong (5.5-6.00)

Key Performance Indicators

STRATEGIC MANAGEMENT

- KPI-1 Providing direction for results — 4.27 — 4
- KPI-2 Corporate focus on results — 3.98 — 5
- KPI-3 Focus on thematic priorities — 4.35 — 5
- KPI-4 Country and regional focus on results — 4.30 — 6

OPERATIONAL MANAGEMENT

- KPI-5 Resource allocation decisions — 3.91 — 1
- KPI-6 Linking resource management to performance — 3.83 — 4
- KPI-7 Financial accountability — 4.12 — 5
- KPI-8 Using performance information — 4.13 — 5
- KPI-9 Managing human resources — 3.81 — 5
- KPI-10 Performance oriented programming — 4.20 — 4
- KPI-11 Delegating decision making — 4.14 — 5

RELATIONSHIP MANAGEMENT

- KPI-12 Supporting national plans — 4.13
- KPI-13 Adjusting procedures — 3.63
- KPI-14 Contributing to policy dialogue — 4.77
- KPI-15 Harmonising procedures — 4.29

KNOWLEDGE MANAGEMENT

- KPI-16 Evaluating external results — 4.11 — 5
- KPI-17 Presenting performance information — 4.29 — 3
- KPI-18 Disseminating lessons learned — 3.88 — 5

3.3 UNEP Performance in Strategic, Operational, Relationship, and Knowledge Management

3.3.1 Overview

This section presents the results of the 2011 assessment of UNEP in four performance areas (quadrants): Strategic, Operational, Relationship, and Knowledge Management.

The following sections (3.3.2 to 3.3.5) provide the overall survey and document review ratings for the KPIs in each quadrant, the mean scores by respondent group, and findings based on an analysis of survey and document review ratings in each quadrant.

Where statistically significant differences among categories of respondents were found, these differences are noted. Divergent ratings between the survey results and document review ratings are also noted.

The survey data for each KPI and MI by quadrant are presented in Volume II, Appendix V. The document review ratings are presented in Volume II, Appendix VI.

3.3.2 Strategic Management

UNEP is undergoing a transformational reform process to become a results-based organisation. Stakeholders consistently rated UNEP's performance in strategic management as adequate on MOPAN's criteria. The document review provided several ratings of strong and identified some areas for improvement.

Figure 3.3 shows the overall survey and document review ratings for the four KPIs in the strategic management quadrant. UNEP is judged by survey respondents to be in the high range of the adequate band on all KPIs. The document review rated UNEP as adequate or better on all four KPIs in strategic management.

Through its organisational development process, UNEP has taken steps to improve several aspects of its strategic management: The organisation has increased collaboration between divisions to deliver on a single organisation-wide programme; and budgets, programming and the global strategy have been aligned, thus strengthening results-based planning. Some areas for improvement have been identified with regard to UNEP's practises for making documents available to the public and its approach to human well-being as a thematic priority.

Figure 3.3   Quadrant I: Strategic Management, Survey and Document Review Ratings
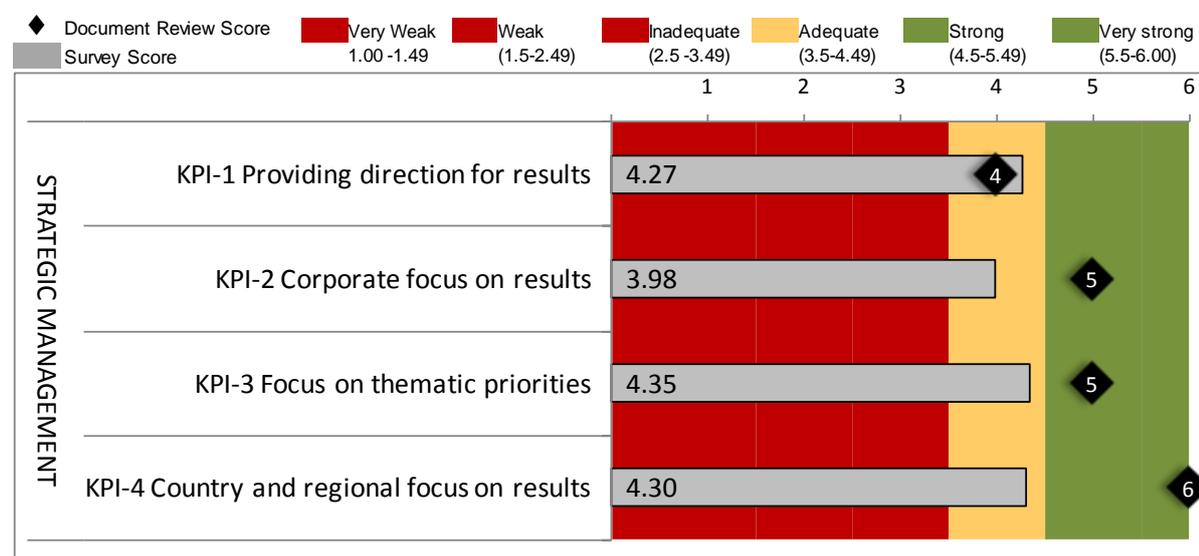
Figure 3.4 shows the mean scores for the four KPIs for all survey respondents, and by respondent group.

Figure 3.4   Quadrant I: Strategic Management, Mean Scores by Respondent Group

	Very Weak 1.00 -1.49	Weak (1.5-2.49)	Inadequate (2.5 -3.49)	Adequate (3.5-4.49)	Strong (4.5-5.49)	Very strong (5.5-6.00)

	Total Mean Score	Peer Organisations	Direct Partners	Donors in Country	Donors at HQ
KPI-1 Providing direction for results	4.27	4.44	4.49	3.95	4.28
KPI-2 Corporate focus on results	3.98	4.26	4.47	3.87	3.94
KPI-3 Focus on thematic priorities	4.35	4.45	4.51	4.19	4.30
KPI-4 Country and regional focus on results	4.30	4.39	4.46	3.98	4.50
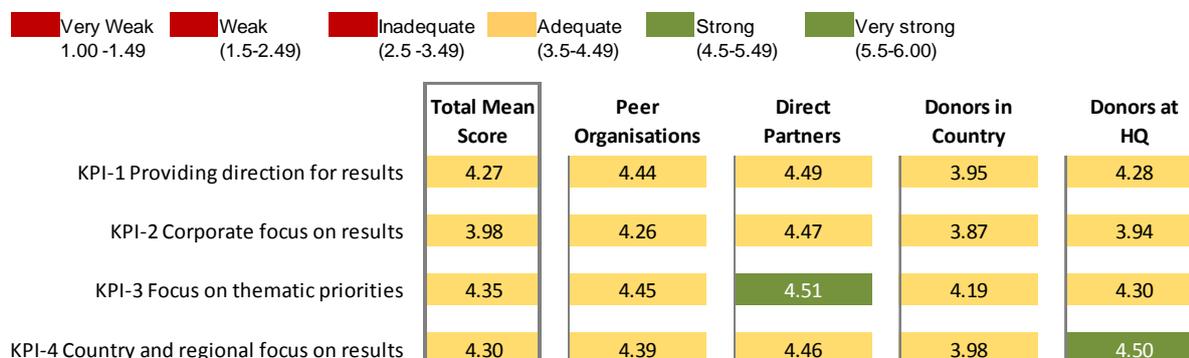
KPI 1: Providing Direction for Results

Finding 1: **Survey respondents rated UNEP's executive management as adequate in providing direction for the achievement of external/beneficiary focused results. The document review noted that while UNEP makes many key documents available on its website, it does not explain its approach to information disclosure.**

Overall, survey respondents rated UNEP as adequate on the three MIs in this KPI (see figure 3.5). The document review, which only rated the MI on availability of documents, also gave UNEP a score of adequate. It noted however that many documents are only available in English and that UNEP does not provide information on the disclosure policy it follows (i.e., the Secretary General's guidelines on information sensitivity, classification and handling) on its website.

Figure 3.5   KPI 1: Providing Direction for Results, Ratings of Micro-Indicators

	Document Review Score	Very Weak 1.00 -1.49	Weak (1.5-2.49)	Inadequate (2.5 -3.49)	Adequate (3.5-4.49)	Strong (4.5-5.49)	Very strong (5.5-6.00)
	Survey Score						

KPI-1 Providing direction for results

MI: Value system supports results-orientation — 4.24

MI: Leadership on results management — 4.14

MI: Key documents available to the public — 4.44
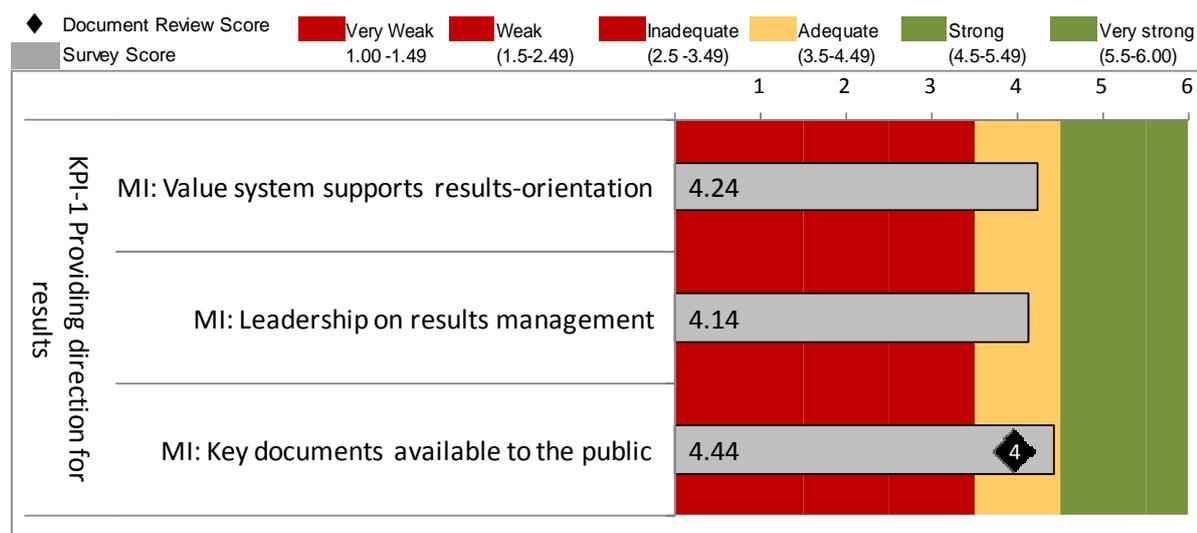
MI 1.1 – Value system supports results-orientation

Survey respondents were asked whether UNEP's institutional culture reinforces a results focus, if it is partner-focused, and if it supports a focus on priority environmental challenges identified through research and analysis. Respondents confirmed that UNEP's value system is adequate overall, and rated its support to priority environmental challenges as strong.

MI 1.2 – Leadership on results management

MOPAN donors at headquarters were the only respondent group asked about the extent to which senior management demonstrates leadership on results management. More than 70 per cent rated UNEP as adequate or above on this indicator.

MI 1.3 – Key documents are available to the public

The majority (75 per cent) of survey respondents rated UNEP as adequate or above in making key documents readily available to the public. The document review also provided a rating of adequate on this MI.

While UNEP presents most of its key documents on its website, duplicate and/or incomplete web pages as well as broken links make some of these difficult to find. Furthermore, the organisation does not provide a policy on which information it discloses. Given that UNEP abides by the *UN Secretary-General's bulletin on information sensitivity, classification and handling*, it should make this document available on its website or provide a link to it. Although most documents on the website are currently available in English only, the website policy (*Policies Governing www.unep.org*) indicates that UNEP is working on improving dissemination of its documents in the six official languages of the UN.

KPI 2: Corporate Focus on Results

Finding 2: **UNEP's organisational strategies were rated as adequate in terms of their focus on results. The document review acknowledged the recent improvements in UNEP's results focus as embodied by the Medium-Term Strategy 2010-2013 but noted room for improvement in the quality of its results frameworks.**

Overall, survey respondents rated UNEP as adequate on this KPI and the document review provided ratings from adequate to very strong on five MIs.

Figure 3.6   KPI 2: Corporate Focus on Results, Ratings of Micro-Indicators

◆ Document Review Score	Very Weak	Weak	Inadequate	Adequate	Strong	Very strong
▬ Survey Score	1.00 -1.49	(1.5-2.49)	(2.5 -3.49)	(3.5-4.49)	(4.5-5.49)	(5.5-6.00)

MI: Appropriately positioned within international architecture — 4.04

MI: Organisational strategy based on clear mandate — 4.34 ◆ 6

MI: Organisational policy on results management — 3.53 ◆ 4

MI: Plans and strategies contain results frameworks — 4.03 ◆ 5

MI: Results frameworks link outputs to final outcomes/impacts — 3.65 ◆ 4

MI: Plans and strategies contain performance indicators — 3.98 ◆ 4

MI: Expected results developed in consultation with stakeholder groups — 4.17

MI: Mainstreams environment — 4.08

KPI-2 Corporate focus on results

MI 2.1 – Appropriately positioned within the international architecture

UNEP's position in the international architecture with regard to its roles (normative, implementation, coordination, and information and evidence-building) was rated as adequate or above by the majority of respondents. On the question of whether UNEP plays a role in building evidence, donors in-country provided a rating of adequate but were less positive than the other respondent groups; this difference was statistically significant.

UNEP's role and position in the international architecture was commented on in *Delivering as One,* a 2006 report from the High-Level Panel,[15] and in the 2008 *Management Review of Environmental Governance within the United Nations System* by the Joint Inspection Unit (JIU). The report from the High-Level Panel noted that the integration of environmental issues in the work of other UN organisations had increased competition for limited funds. It also pointed out that the World Bank and regional development banks had developed sizeable environmental portfolios that were poorly coordinated with the rest of the UN system. The 2008 report by the JIU warned that the proliferation and fragmentation of environmental initiatives had undermined UNEP's wide-ranging mandate for environmental governance. It also highlighted the lack of a clear division of labour between UNEP and multilateral environmental agreements (MEAs). These reports show the challenges for UNEP given its assigned roles and functions and the nature of the international system for environmental governance.

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[15] High-Level Panel on United Nations System-wide Coherence in Areas of Development, Humanitarian Assistance and the Environment (2006)

MI 2.2 – Organisational strategy based on a clear mandate

In the survey, respondents from headquarters and peer organisations were asked three questions about UNEP's strategy and mandate: 1) the clarity of its mandate; 2) the alignment of its mandate and strategy; 3) the alignment between UNEP's normative work and its mandate and strategy. Overall, the respondents rated UNEP as adequate on all three questions. In addition, all respondent groups were asked about the consistency between UNEP's mandate, strategy and operational work. A clear majority of respondents provided ratings of adequate or above.

The review of documents rated UNEP as very strong on this MI, based on solid evidence that UNEP's mandate has been modified, strengthened and expanded to ensure its continued relevance, and that it has been operationalised through the Medium-term Strategy (MTS) 2010-2013 which clearly articulates how the organisation's focus areas relate to the mandate.

MI 2.3 – Organisational policy on results management

Donors at headquarters were the only respondent group asked about the extent to which UNEP ensures the application of results management across the organisation. Although UNEP received an overall rating of adequate on this MI, there were mixed views: 47 per cent of the respondents provided a rating of inadequate or below while 41 per cent perceived UNEP's performance to be adequate or above.

The rating of adequate obtained through document review is in line with the perception of survey respondents. Although documentary evidence indicates that UNEP has improved its focus on results in recent years, the organisation does not have an organisation-wide policy or guidelines on results-based management (RBM) or on managing for development results (MfDR). Therefore, there is no coherent and detailed description of how RBM principles will be applied throughout the whole organisation. However, UNEP has indicated through personal communication that guidelines will be integrated into its revised Programme Manual, the final version of which should be approved before the end of 2011.

Nevertheless, UNEP promotes results-based management in its MTS 2010-2013, biennial strategic frameworks, and Programmes of Work. It captures results through the Project Information Management System (PIMS) and reports on results in Programme Performance Reports and in Evaluation Synthesis Reports. UNEP provides staff training in RBM and encourages its direct partners to adopt a results-oriented approach in its *Policy on Partnerships*.

MI 2.4 – Plans and strategies contain results frameworks

Donors at headquarters were asked whether UNEP's strategies contain management, development and normative results. A small majority of respondents rated UNEP as adequate or above on this MI. The document review, however, rated UNEP as strong.

A detailed version of UNEP's results frameworks is presented in the organisation's proposed biennial programme documents for 2010-2011 and 2012-2013.[16] While programmatic results frameworks are provided for both biennia, only the 2012-2013 period is covered also by a management results framework. Within these frameworks, most of the results statements are appropriately phrased although some outputs would better qualify as expected accomplishments (outcomes).

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[16] MOPAN evaluated this version of UNEP's strategic frameworks, as they are the most detailed (e.g. they include outputs as well as baseline and target data for the indicators).

MI 2.5 - Results frameworks link outputs to final outcomes/impacts

Donors at headquarters, who were asked about the extent to which UNEP's organisation-wide strategies have causal links from outputs through to outcomes and impacts, rated UNEP as adequate overall but were divided on the question: while 41 per cent rated UNEP as adequate or above, 31 per cent rated it as inadequate or below. The adequate rating in the document review was in line with the survey rating.

The MTS 2010-2013 only briefly explains how outputs are linked to expected accomplishments (outcomes). However, the structure of the programmatic strategic frameworks for 2010-2011 and 2012-2013 demonstrates that achieving outputs will help deliver on specific and larger-scale outcomes. Moreover, the link between outcomes in the programmatic strategic frameworks and impacts presented in Annex IV of the MTS is plausible. The management results framework for 2012-2013 does not provide a plausible link between outcomes and impacts. It also presents fewer outputs than outcomes, meaning that the outputs do not cover the full spectrum of management outcomes the organisation wishes to achieve.

MI 2.6 – Plans and strategies contain performance indicators

Donors at headquarters were the only respondent group consulted on this MI and approximately 60 per cent rated UNEP as adequate or above on the extent to which its organisation-wide strategies contain measurable indicators at all levels. The document review rated UNEP as adequate on this MI.

The programmatic strategic frameworks for 2010-2011 and 2012-2013 presented in UNEP's proposed biennial programme documents include indicators of expected accomplishments that are, for the most part, relevant, monitorable and clear. However, indicators at the output level are missing. Although the UN programming procedures do not require UNEP to present output indicators in the above-mentioned documents, UNEP had indicated its intention of doing so in Annex V of its Medium-Term Strategy. Instead, however, indicators for the sub-programme outputs are dispersed throughout UNEP's various project documents. Consequently, the performance indicators that UNEP uses to measure progress at the sub-programme level cannot be easily traced or assessed.

MI 2.7 - Expected accomplishments developed in consultation with stakeholder groups

A majority of respondents (69 per cent) rated UNEP as adequate or higher on the extent to which it consults with stakeholder groups to develop its expected results.

MI 2.8 – Mainstreams environment

The majority of survey respondents believe that UNEP's strategies help mainstream the environment into the activities of its partners.

Although the document review did not rate UNEP on this MI, it found that UNEP's strategy, Programme of Work, and partnership strategy all commit the organisation to mainstreaming the environment.

KPI 3: Focus on thematic priorities

Finding 3: **Survey respondents rated UNEP as adequate for mainstreaming thematic priorities. The document review rated UNEP as very strong in mainstreaming environmental governance, and strong in gender, but inadequate in integrating human well-being at the strategic level.**

The survey examined three thematic priorities: gender equality, human well-being, and environmental governance. Overall respondents rated UNEP as adequate or better for mainstreaming these activities into its work.

The document review provided UNEP with a rating of very strong in mainstreaming environmental governance, which is not surprising given that the promotion of good environmental governance is part of UNEP's mandate and constitutes one of its inter-divisional sub-programmes. Gender integration is also a priority for UNEP, and received a rating of strong in the document review. However, while notions of human well-being are clearly included in UNEP's approach to sustainable development and its work at the project level, the concept and UNEP's approach at the programmatic level is not clearly defined in the Medium-Term Strategy.

Figure 3.7   KPI 3: Focus on Thematic Priorities, Ratings of Micro-Indicators
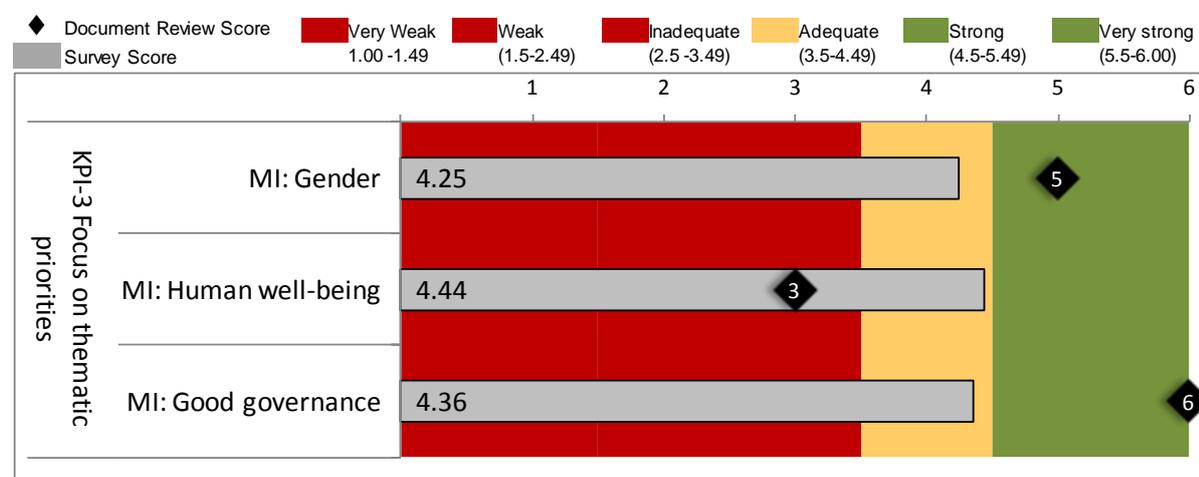
MI 3.1 – Gender equality

In the survey, UNEP was rated as adequate or above by 60 per cent of respondents for the extent to which it mainstreams gender equality in its programmatic work.

The document review found that UNEP has been successful in mainstreaming gender equality. UNEP's Medium-term Strategy clearly identifies gender integration as a priority, stating that gender equality and equity will be incorporated into all policies, projects and programmes. UNEP developed a Gender Action Plan in 2006 which was approved by the Governing Council in 2007, and drafted a Gender Policy in 2008 committing UNEP to strengthen its focus on gender. As a result of these efforts, a senior advisor position focusing solely on gender issues has been created and gender action plans at the sub-programme level have been put in place to provide the framework for implementing and monitoring gender actions in operational work.

Gender equality is also a priority internally in UNEP, and in 2010 the representation of women in its workforce was 60 per cent.[17] Efforts are now under way to increase the percentage of women in professional and management employment categories from 40 to 45 per cent by the end of 2013.[18]

Despite the generally positive assessment of UNEP with respect to gender equality, the Assessment Team has concerns that the gender policy, written in 2008, is still in draft form and that the organisation-wide Gender Action Plan, which was created as a framework for the 2006-2010 period, has not been updated.

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[17] Annual Report 2010

[18] Proposed biennial programme and budget for 2012-2013

MI 3.2 – Human well-being[19]

Survey respondents were asked whether UNEP integrates socio-economic issues in its programming, and a clear majority (81 per cent) rated UNEP as adequate or above on this MI.

The document review assessed the extent to which UNEP integrates human well-being as a thematic priority of the organisation. It rated UNEP as inadequate on this MI due to a number of factors. Although UNEP links human well-being with the health of ecosystems in the Medium-Term Strategy and mentions this thematic priority in two of its six sub-programmes (Disasters and Conflicts, and Ecosystem Management), it does not offer a clear definition of the concept and how it is integrated in the work.[20] In addition, the two sub-programme descriptions do not sufficiently expand on how outcomes related to human well-being are being defined and monitored.

In addition to the thematic priority of human well-being, UNEP's Project Manual (2005) indicates that poverty alleviation must be considered as part of the implementation of all projects. Indeed, all project documents reviewed explained the project's contribution to socioeconomic issues, including poverty alleviation and gender equality. The Project Manual also refers to a decree of the Senior Management Group from 2004 indicating that "all UNEP activities must have a bearing on poverty eradication." In addition, the UNEP publication, *GEO-4*, assesses environmental change and how it affects people's security, health, social relations and material needs (human well-being) and development in general. However, it is not clear from the documents assessed if poverty alleviation is considered part of the overall concept of human well-being or if it is an additional thematic priority. Thus our assessment indicates that UNEP would benefit from a more strategic approach to human well-being at the organisation-wide level and a more clear definition of this theme in the global MTS.

MI 3.3 - Good environmental governance

Almost 80 per cent of survey respondents rated UNEP as adequate or above with regard to its promotion of good environmental governance in partner countries.

The document review rated UNEP as very strong on this MI. Promotion of good environmental governance is part of UNEP's mandate and constitutes one of its six cross-cutting sub-programmes. UNEP's proposed biennial programme documents for 2010-2011 and 2012-2013 describe the organisation's approach to the promotion of good environmental governance and include expected accomplishments with indicators and corresponding outputs. In addition, since 2007, UNEP has devoted a chapter of its Annual Reports to describing its progress in the field of environmental governance. In addition, UNEP has taken actions to improve international environmental governance based on findings of a 2008 Joint Inspection Unit study and recommendations of a consultative group convened by UNEP's Governing Council.

KPI 4: Country and regional focus

Finding 4: **Survey respondents agree that UNEP has an adequate focus on results at the country and regional level. The document review rated UNEP as very strong for aligning project results with its Medium-term Strategy.**

The document review found that UNEP's work in countries and regions is aligned with its 2010-2013 Medium-term Strategy and the majority of survey respondents rated the organisation as

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[19] According to UNEP, the concept of human well-being mainly addresses human well-being across generations.

[20] Robert Prescott-Allen in *The Wellbeing of Nations: A country-by-country index of quality of life and the environment* (2001) defines human well-being as "a condition in which all members of society are able to determine and meet their needs and have a large range of choices to meet their potential." The book presents the notion that sustainable development is dependent on both human well-being and ecosystem well-being. "[I]t does not matter how well the ecosystem is, if people cannot meet their needs."

adequate or above on this KPI. Given UNEP's limited country presence, it does not produce country specific strategies. Thus, the assessment focused on the work of projects and sub-programmes, which are more relevant units of analysis.

Figure 3.8   KPI 4: Country and Regional Focus on Results, Ratings of Micro-Indicators
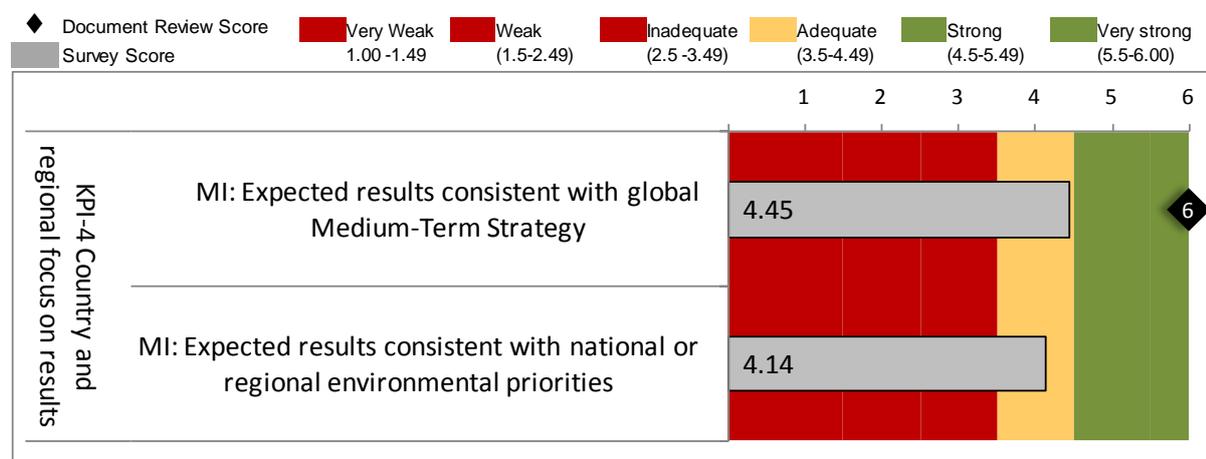
MI 4.1 – Expected results are consistent with Global Medium-Term Strategy

The majority of survey respondents rated UNEP as adequate or above for projects and initiatives that are consistent with the Medium-term strategy at the country level (79 per cent) and at the regional level (67 per cent).

The document review provided a rating of very strong on this MI. UNEP's work in countries and regions is aligned with its 2010-2013 Medium-Term Strategy. Given its limited country presence, UNEP does not produce country strategies or regional strategies. Instead, its operational work is presented at the project level in Project Documents. These contain logical frameworks and expected results (project outputs and outcomes) that are clearly tied in to the global strategy: an outcome at the project level is either a sub-programme output or outcome, or is shown to feed into a sub-programme output or outcome. Hence, there is a clear results chain from the project level to the sub-programme level. As an intermediate step between project documents and the sub-programme results frameworks, UNEP also produces programme frameworks to provide an overview of all the projects that collectively deliver on one or two sub-programme outcomes.

MI 4.2 – Expected results consistent with national or regional environmental priorities

Three questions were asked in relation to this MI: whether UNEP's strategies support good environmental practices at the country level, whether its strategies support good environmental practices at the regional level, and if UNEP activities at the regional level align with the environmental priorities of its partners. Overall, 62 per cent of survey respondents rated UNEP as adequate or above on this MI, and 22 per cent as inadequate or below.

The document review did not rate UNEP on this MI. Given UNEP's limited country presence, it does not produce strategies per country, unlike other multilateral organisations. Rather, UNEP's operational work is built on strategies established at the project level. Although a project may take place in a single country (such as the country programme in the DRC), UNEP's projects generally include several countries within a region.

In addition, by virtue of UNEP's normative role, its work in countries may not necessarily align directly with the country's own top priorities, but rather align with those identified by the international community. Consequently, statements of expected results for country or regional projects may not always be consistent with national or regional environmental priorities. The Bali Strategic Plan illustrates this paradox and makes evident the difficulty that arises, given UNEP's normative role, in automatically placing national and regional priorities first. On the one

hand, the plan emphasises national ownership, encourages each country to identify its own needs in capacity-building and technology support, and supports the implementation of priority activities identified at the regional and sub-regional levels. On the other hand, the plan seeks to build the capacity of countries to implement programmatic goals set by the Governing Council/Global Ministerial Environment Forum, and to have countries comply with international agreements and implement their obligations at the national level (p.2).

3.3.3 Operational Management

Survey respondents rated UNEP as adequate overall on operational issues related to its results-based reporting and budgeting, financial accountability, human resource management, and delegation of decision making. However, their level of familiarity with these issues was very low in most cases. The document review provided mixed ratings while acknowledging that rules and procedures regarding financial accountability to a large extent are provided by the Board of Auditors, the Office of Internal Oversight Services (OIOS) and the UN Secretariat.

Figure 3.9 shows the overall survey and document review ratings for the seven KPIs in the operational management quadrant.

According to survey results, UNEP performs adequately overall on all KPIs in operational management. The document review provided ratings of adequate or strong on all but one KPI.

UNEP's strongest performance in operational management relates to its financial accountability, the transparency of its incentive systems for staff and managers, and its clear guidelines for the delegation of authority.

The assessment found room for improvement in UNEP's transparency in the criteria used for allocating resources, and in linking disbursements to expected results. UNEP does not have organisational policies for financial audit, anti-corruption measures, or risk management as these regulations and procedures are provided by the UN.

Figure 3.9   Quadrant II: Operational Management, Survey and Document Review Ratings
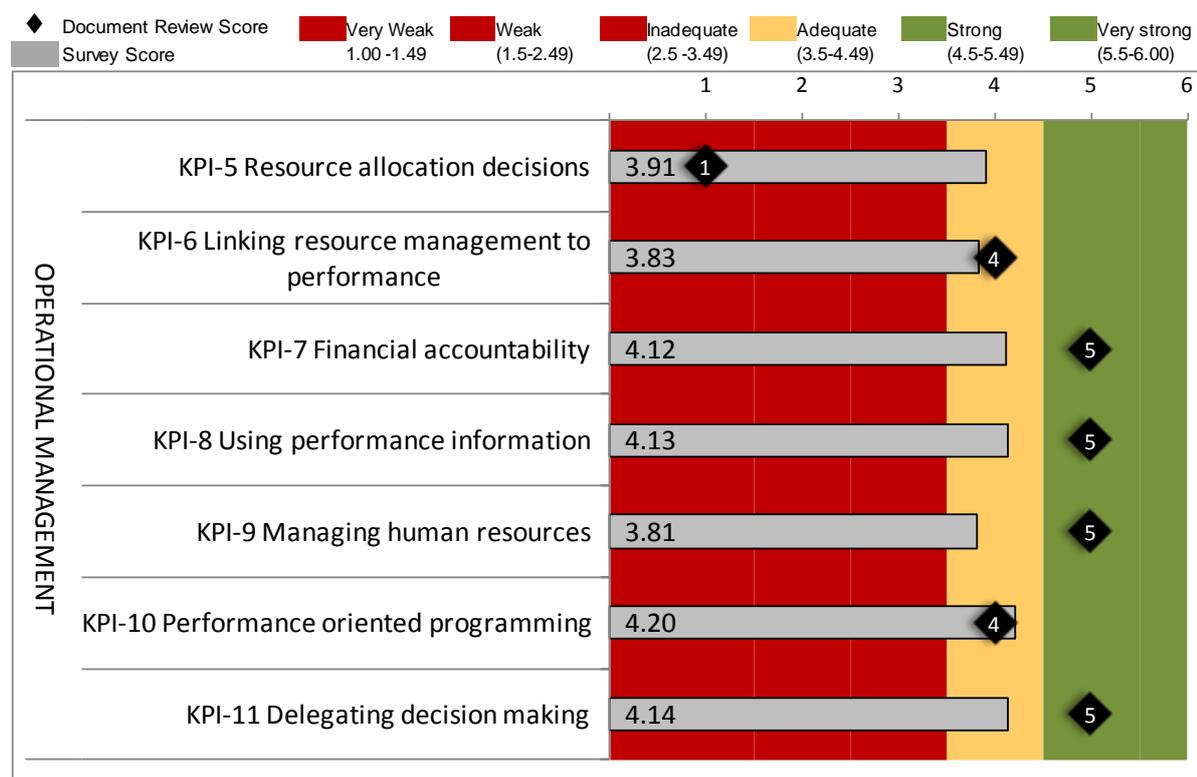
Figure 3.10 shows the mean scores for the seven KPIs for all survey respondents, and by respondent group.

Figure 3.10 Quadrant II: Operational Management, Mean Scores by Respondent Group

Very Weak 1.00 -1.49	Weak (1.5-2.49)	Inadequate (2.5 -3.49)	Adequate (3.5-4.49)	Strong (4.5-5.49)	Very strong (5.5-6.00)

	Total Mean Score	Peer Organisations	Direct Partners	Donors in Country	Donors at HQ
KPI-5 Resource allocation decisions	3.91	3.83	4.27	3.80	3.73
KPI-6 Linking resource management to performance	3.83	NA	NA	NA	3.83
KPI-7 Financial accountability	4.12	NA	4.46	NA	3.96
KPI-8 Using performance information	4.13	4.07	4.43	3.94	3.94
KPI-9 Managing human resources	3.81	NA	NA	NA	3.81
KPI-10 Performance oriented programming	4.20	NA	4.52	3.90	4.23
KPI-11 Delegating decision making	4.14	4.30	4.23	3.82	NA

KPI 5: Resource allocation decisions

Finding 5: **According to survey respondents, UNEP performs adequately in making transparent resource allocation decisions. However, the document review found UNEP to be very weak in this area.**

Survey respondents were asked whether UNEP makes readily available its criteria for allocating its programme resources and whether the resources are allocated according to the criteria. The document review assessed whether the criteria for allocating resources were publicly available.

Figure 3.11 KPI 5: Resource Allocation Decisions, Ratings of Micro-Indicators

| ◆ Document Review Score | Very Weak 1.00 -1.49 | Weak (1.5-2.49) | Inadequate (2.5-3.49) | Adequate (3.5-4.49) | Strong (4.5-5.49) | Very strong (5.5-6.00) |
| Survey Score |

	1	2	3	4	5	6

KPI-5 Resource allocation decisions

MI: Criteria for allocating resources publicly available — 3.83 ◆1

MI: Resource allocations follow the criteria — 3.99
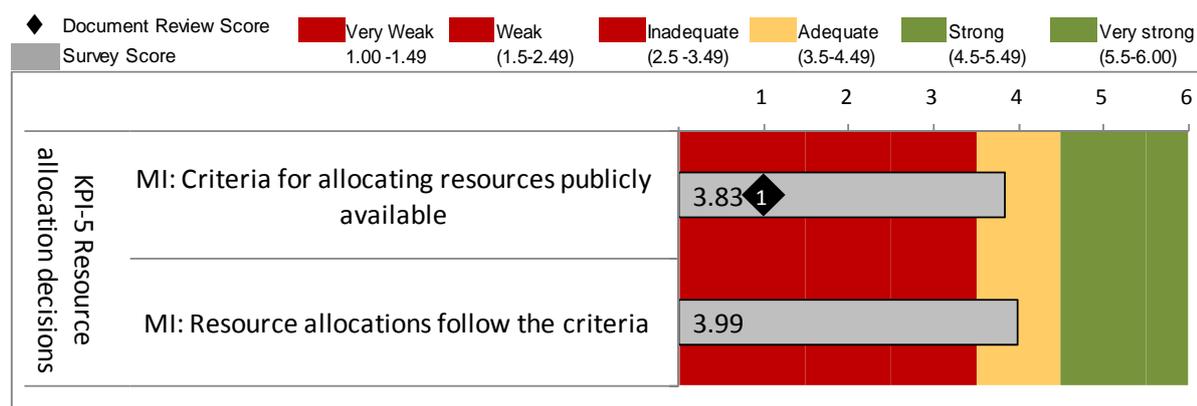
MI 5.1 – Criteria for allocating resources are publicly available

Survey respondents provided mixed opinions on whether UNEP makes its criteria for allocating resources readily available: 48 per cent provided a rating of adequate or above while 26 per cent perceived its performance to be inadequate.

The document review assessed UNEP's practices as very weak on this MI. Neither UNEP's website nor documents identified from other sources provide evidence of the criteria UNEP uses for allocating programme resources. This may partly be explained by the fact that resource allocation is the result of a negotiation process involving governments, primarily through the Committee of Permanent Representatives.[21]

MI 5.2 – Resource allocations follow the criteria

UNEP was rated as adequate by survey respondents on the extent to which its resource allocations follow established criteria. However, 30 per cent of respondents answered 'don't know'.

KPI 6: Linking resource management to performance

Finding 6: **According to survey respondents, UNEP adequately links financial management to its global priorities and results. The document review confirms this perception while noting the potential for improvement in aligning specific results with allocations and disbursements.**

The assessment looked at three different dimensions related to this KPI: whether UNEP's resource allocations are aligned with its global priorities, if budget allocations are linked to expected results, and whether UNEP reports on the amounts disbursed to achieve these results.

Donors at headquarters were the only respondent group consulted on this KPI and rated UNEP as adequate overall for linking resource management to performance. The document review provided an overall rating of adequate, but noted that the links between budget allocations and expected results could be strengthened. While there was a potential for improvement in these areas, the review of documents also noted the continuous improvements in UNEP's approach to results-based budgeting in recent biennia.

Figure 3.12 KPI 6: Linking Aid Management to Performance, Ratings of Micro-Indicators

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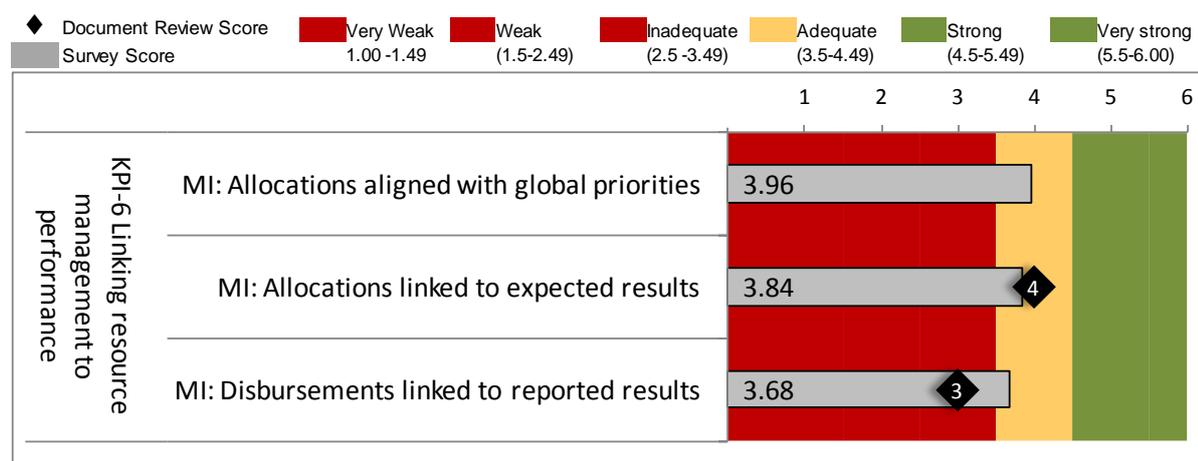
[21] However, according to UNEP, an internal Task Team on Programme Management and Implementation has been established and recently concluded its work. The Task Team has issued guidance to further improve the transparency of UNEP's resource allocation decisions. The new practice will be piloted for the forthcoming allocation, with involvement of Sub-programme Coordinators in the allocation of extra-budgetary funding from certain funding instruments of the EC.

MI 6.1 – Allocations aligned with global priorities

A majority of the survey respondents (67 per cent) rated UNEP as adequate or above in aligning resource allocations with its global priorities.

Although the document review did not rate UNEP on specific criteria for this MI, it found that UNEP had aligned its Biennial Programme and Support Budget for 2010-2011 with the 2010-2013 Medium-term Strategy: the organisation's objectives, expected accomplishments and budget are built around the six cross-cutting priorities described in the organisation-wide strategy. This alignment was introduced with the implementation of the Medium-term Strategy in 2010 and represents an organisational move towards more integrated strategic planning and budgeting processes.

MI 6.2 – Allocations linked to expected results

Survey respondents had mixed opinions about the extent to which UNEP links budget allocations to expected results. While 53 per cent rated UNEP as adequate or above, 31 per cent found its performance to be inadequate or below.

Strictly adhering to the MOPAN criteria for the document review, UNEP was rated as adequate in linking budget allocations to its expected programmatic results. UNEP is implementing results-based budgeting in line with UN system-wide budgeting practices. [22] UNEP`s *Proposed Biennial Programme and Support Budget for 2010-2011* and *Proposed Biennial Programme and Budget for 2012-2013* reflect a more integrated approach to results-based programming and budgeting than in previous biennia. Both documents present budgets which are formulated around the six cross-cutting sub-programmes identified in the 2010-2013 Medium-term Strategy. However, while UNEP budgets indicate what resources are allocated to each sub-programme at an aggregate level, they do not provide cost estimates for the outputs or expected accomplishments which are presented in the same documents.

This being said, UNEP's Programme Frameworks provide a more detailed account of the link between expected accomplishments, outputs, and resources allocated. The frameworks allocate a budget (in most cases) for the expected accomplishment and describe how the expected accomplishment and outputs will be achieved through specific project interventions.

However, the programme frameworks seem to be based on the assumption that the sum of project activities and outputs will add up to the expected accomplishments at the programme level. This assumption is problematic as expected accomplishments (outcomes) are much more complex than the sum of the projects and include inputs from several stakeholders (e.g., through partnerships). Thus, the monetary amount associated with the expected accomplishment may not reflect the full cost of its achievement, but merely the costs of UNEP's projects. From this perspective UNEP's effort to link expected accomplishments with resources allocated, although noteworthy, is not fully adequate.

MI 6.3 – Disbursements linked to reported results

Survey respondents rated UNEP as adequate on its capacity to link amounts disbursed with results achieved. However, there were mixed views with 45 per cent of the respondents rating UNEP as adequate or above while almost 30 per cent provided a rating of inadequate or below. The document review provided a rating of inadequate

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[22] United Nations Office in Nairobi (UNON): A definition of results-based budgeting in the UN system is provided in the following document:
http://www.unon.org/restcadimarict/intranet/bfms/docs/Introduction%20to%20Budget%20Section%20Pres%2025.8.04.doc

The review of Programme Performance Reports over the last few years shows that UNEP has improved in terms of linking disbursements to results achieved. While previous Performance Reports focused on the performance of each division, the Programme Performance Report for the 2009-2010 biennium reports on the cross-cutting priorities identified in the Medium-term Strategy. It notes the extent to which expected accomplishments and outputs have been achieved and shows the total expenditure per sub-programme, but does not include expenditures for specific outputs or expected accomplishments. Once the Project Information Management System (PIMS) is fully operational, UNEP should be able to provide more detailed information on the link between amounts disbursed and results achieved.

KPI 7: Financial accountability

Finding 7: Survey respondents find that UNEP's policies and processes for financial accountability are adequate and the review of documents indicates that UNEP is strong or very strong in all areas apart from risk management.

Survey respondents rated UNEP as adequate on all questions related to financial accountability. However, their level of familiarity seemed low: between 29 and 47 per cent of respondents answered 'don't know' to the six questions pertaining to this KPI.

The review of documents generally provided strong or very strong ratings on the MIs related to financial accountability and acknowledged that UNEP, as a subsidiary organisation of the General Assembly, uses the policies and procedures of the UN Secretariat and does not have independent policies for financial audits, anti-corruption measures, or risk management.

Figure 3.13 KPI 7: Financial Accountability, Ratings of Micro-Indicators
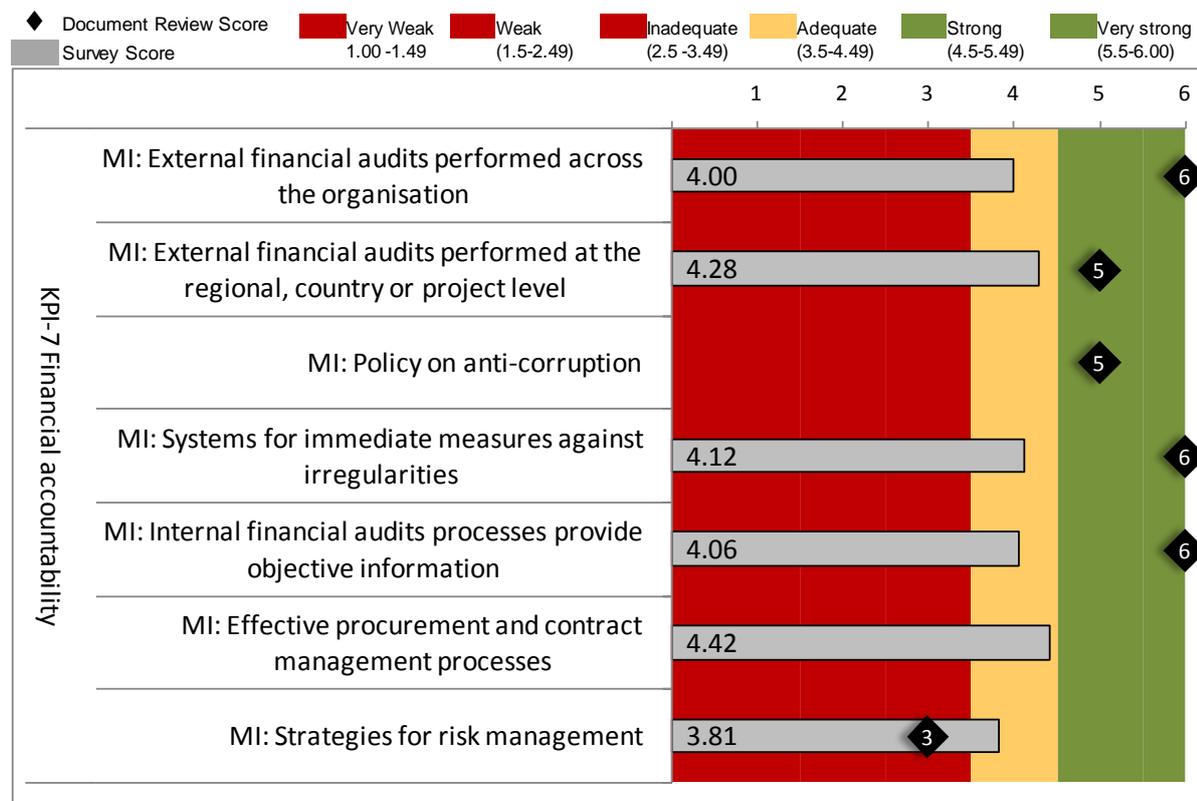
MI 7.1 – External financial audits performed across the organisation

Donors at headquarters were the only respondent group asked whether UNEP's external financial audits meet their expectations. The majority (59 per cent) rated UNEP as adequate or above on this question.

According to the document review, UNEP is very strong on this MI. External audits of UNEP's financial statements are conducted by the United Nations Board of Auditors (BOA) on a biennial basis. In addition, UNEP has a special arrangement with the BOA for it to conduct an annual audit of UNEP's Global Environment Facility (GEF) trust funds. All Annual Financial reports reviewed had accompanying letters from an external auditor confirming that they were conducted in accordance with international standards and in conformity with article VII of the Financial Regulations and Rules of the United Nations.

MI 7.2 – External financial audits performed at the regional, country or project level

Donors at headquarters and direct partners were asked if UNEP's programmes and projects are appropriately covered by audit. Although they provided an overall rating of adequate, more than 40 per cent indicated that they 'don't know.'

The review of UNEP's financial reports confirmed that audits are performed at the regional and project levels. For example, the 2009 Financial Report recommended that UNEP, in collaboration with the United Nations Office in Nairobi (UNON), establish a uniform system of accounting for projects implemented by external partners. Previous financial reports included more specific audit information from regional and project levels. UNEP's Project Manual includes rules and guidelines regarding the audit requirements for supporting organisations.[23] These organisations must provide an account of biennial project expenditures audited by a recognised firm of public accountants.

MI 7.3 – Policy on anti-corruption

UNEP was rated as strong by the document review for its measures against corruption although the organisation does not have an internal policy on anti-corruption. Survey respondents were not asked about this MI.

As a subsidiary organisation of the UN General Assembly, UNEP relies on the anti-corruption policies and procedures described in the *Investigations Manual* provided by the Investigations Division of the Office of Internal Oversight Services (OIOS). The Investigations Division initiates its own investigation and follows up on reports of possible violations of rules or regulations, mismanagement, misconduct, waste of resources, or abuse of authority.

MI 7.4 – Systems for immediate measures against irregularities

Donors at headquarters and direct partners were asked whether UNEP has appropriate systems to follow up on financial irregularities. While 44 per cent of respondents provided a rating of adequate or above, 41 per cent answered 'don't know' to this question.

The document review rated UNEP as very strong on this MI. The *Financial Regulations and Rules of the United Nations* includes the terms of reference governing audit procedures and provides the overall framework for financial auditing within the UN. The *Audit Manual* of OIOS provides a more detailed description of the procedures for investigating and reporting on irregularities found during an external audit or any other reporting on fraud or other types of misconduct, and includes detailed timelines for following up on audit recommendations.

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[23] These include governmental, inter-governmental or non-governmental organisations outside the United Nations system which help in the implementation of a project.

A sample of OIOS audit reports examined during the document review provided evidence that audit recommendations regarding irregularities are followed up by UNEP's management. All the recommendations presented in the audit reports were followed by a statement from UNEP's management on whether or not the recommendation had been accepted and what action (if any) had been planned or taken.

MI 7.5 – Internal financial audit processes provide objective information

Only donors at headquarters were asked if UNEP's internal financial audits provide useful information to its governing body. Approximately 53 per cent rated UNEP adequate or above on this MI, but a high proportion (35 per cent) responded 'don't know.'

The document review rated UNEP as very strong on this MI. The Internal Audit Division (IAD) of the OIOS is responsible for conducting internal audits at UNEP, and these are guided by the OIOS *Audit Manual* and conducted in accordance with international standards.

Although IAD's workplans are formulated based on an assessment of risks, requests or concerns expressed by UNEP's senior management, it is free to carry out any audits and activities within the purview of its mandate. In particular, in accordance with the GA resolution 48/218 B, the Office of Internal Oversight Services (OIOS) has the "authority to initiate, carry out and report on any action which it considers necessary to fulfil its responsibilities with regard to monitoring, internal audit, inspection and evaluation and investigations as set forth in the present resolution."[24]

MI 7.6 - Effective procurement and contract management processes

This MI was assessed by direct partners only. While 52 per cent of respondents rated UNEP as adequate or above with regard to the efficiency and effectiveness of its procurement and contract management process, 40 per cent answered 'don`t know' or did not respond.

MI 7.7 – Strategies for risk management

Among MOPAN donors at headquarters (the only respondent group asked about UNEP's use of risk management plans and strategies), 39 per cent of respondents provided a rating of adequate or above while 47 per cent answered 'don`t know.'

These results are not surprising as UNEP does not have an *organisational* framework or strategy for internal risk management, but implements risk management at the *project* level. This is guided by a project manual that outlines UNEP's approach to risk analysis – which includes the identification of risks, assessment of the likelihood of risks occurring and the severity of implications if the risks occur, crafting of risk management strategies and safeguards, as well as roles and responsibilities for risk management activities. Risk analyses are also presented in the project progress reports generated in the Project Information Management System (PIMS).

The document review rated UNEP as inadequate on this MI as it does not have an organisation-wide policy for risk management. A concern about how risk analysis was incorporated at the organisational level was also raised in a recent audit carried out by the Internal Audit Division of OIOS.[25]

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[24] Office of Internal Oversight Services Audit Manual, p. 18, retrieved from http://www.un.org/Depts/oios/pages/audit%20manual%20-%20march%202009%20edition.pdf

[25] Office of Internal Oversight Services Audit Report: Internal Governance in UNEP, 23 September 2010, (par. 46)

KPI 8: Using performance information

Finding 8:   Survey respondents and the document review rate UNEP adequate overall in using performance information.

UNEP provides performance information on its projects, programmes and divisions in periodic evaluation reports and special studies and in organisation-wide evaluations and performance reports. Since the implementation of the Medium-term Strategy 2010-2013 and the *Proposed Biennial Programme and Support Budgets for 2010-2011*, UNEP's reporting on performance has undergone substantive changes as a result of the overall reform process, a stronger focus on results, and a better evaluation and monitoring framework that monitors progress against six cross-cutting priorities.

Figure 3.14 KPI 8: Using Performance Information, Ratings of Micro-Indicators
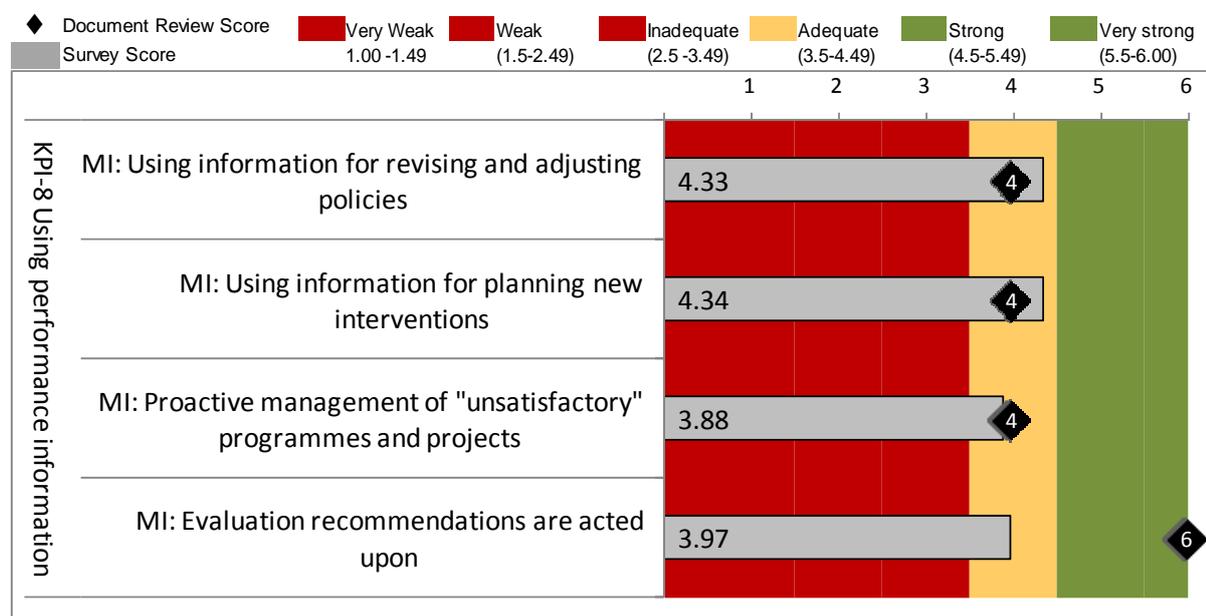
MI 8.1 – Using information for revising and adjusting policies

Donors at headquarters and peer organisations were asked two questions on this MI. On the first question, which asked about the extent to which UNEP uses project/programme, sector and country information on performance to revise policies and strategies, 48 per cent rated UNEP as adequate or above, and 38 per cent responded 'don't know'. On the second question, which asked if UNEP uses the Global Environment Outlook (GEO) to inform corporate priorities, 60 per cent of respondents rated UNEP as adequate or above.

The document review rated UNEP as adequate on this MI.

Although examples are relatively scarce in this context, evidence of UNEP's use of performance information was found in the development of the Gender Policy. UNEP gathered feedback from external and internal stakeholders and reviewed documentary evidence on its past performance to inform the new directions and in the formulation of their revised Policy on Partnerships. The new policy on partnerships was drafted by an internal Task Team on Partnerships initiated on the basis of performance information reported in the 2010 Programme Performance Report. UNEP also uses the Global Environment Outlook and other assessments concerning the state of the environment in the formulation of its corporate priorities. According to the Medium-term Strategy 2010-2013, the environmental changes described in *GEO-4*, the fourth assessment report of the Intergovernmental Panel on Climate Change, released in 2007,

and the Millennium Ecosystem Assessment of 2003, contributed to the formulation of the six cross-cutting priorities identified for UNEP for the period 2010–2013.

MI 8.2 – Using performance information for planning or adjusting interventions

This MI examined UNEP's use of performance information in planning new and adjusting existing interventions at the sub-programme and project level. Survey respondents were asked about the extent to which UNEP uses performance information to plan and modify programming initiatives; 64 per cent of direct partners and peer organisation respondents rated UNEP as adequate or above on this MI. The review of documents gave a rating of adequate.

There is evidence that UNEP has mechanisms in place to inform adjustments in its programming. The Programme Performance Report, every six months, provides a summary of highlights and challenges for each sub-programme and describes the management actions taken to respond to these performance issues.

MI 8.3 – Proactive management of "unsatisfactory" programmes and projects

In the survey, 40 per cent of respondents rated UNEP as adequate or above on this MI, while 34 per cent answered 'don't know.'

The document review rated UNEP as adequate on its capacity to quickly identify and promptly find solutions to poorly performing programmes or projects. UNEP's approach to managing "unsatisfactory" programmes and projects is described in the recently developed *Monitoring Policy.* Essentially*,* UNEP reviews the performance of its programmes and projects through monitoring based on self-assessments carried out at the project and sub-programme levels at six-month intervals. Project assessments provide inputs to the sub-programme assessments. The monitoring function focuses on two types of programme performance:

- Performance in delivering programme commitments
- Performance in achieving expected results/outcomes.

The biannual Programme Performance Reports systematically identify the extent to which expected accomplishments and outputs are on track or at risk of not being achieved and what management actions have been taken to mitigate the risks. UNEP expects that the newly developed Programme Information Management System (PIMS) will support this process by providing more rigorous and objective data on project performance.

MI 8.4 – Evaluation recommendations are acted upon

Donors at headquarters, the only respondent group surveyed, rated UNEP as adequate on this MI; 49 per cent provided a rating of adequate or above, but a relatively high proportion (35 per cent) answered 'don't know.' The document review rated UNEP as very strong.

UNEP has had a procedure for following up on evaluation recommendations since 1996, making UNEP one of the first UN agencies with a compliance procedure for evaluation recommendations. Upon completion of an evaluation, the procedure ensures that an implementation plan is prepared within a specific timeline by the responsible project/programme officer. In addition, UNEP's *Evaluation Manual* describes how roles and responsibilities are established for implementing evaluation recommendations. Finally, the implementation status of evaluation recommendations from the latest biennium is reported in the *Evaluation Synthesis Report* in chapter VI "Compliance with evaluation recommendations."

KPI 9: Managing Human Resources

Finding 9: UNEP's staff performance management systems are rated as adequate by survey respondents. The document review finds that UNEP's performance assessment and incentive systems are transparent.

The overall survey rating for this KPI was adequate, but an overwhelming majority of the respondents answered 'don't know' on both micro-indicators.

The document review rated UNEP as strong on both MIs. UNEP does not have its own human resource strategy but adheres to the UN policy on performance assessment and uses the Performance Management and Development System of the UN Secretariat and the UN Performance Appraisal System (PAS).[26] According to UNEP's *Proposed biennial programme and budget for 2012-2013*, a human resources management strategy will soon be developed and put in place.

Figure 3.15 KPI 9: Managing Human Resources, Ratings of Micro-Indicators
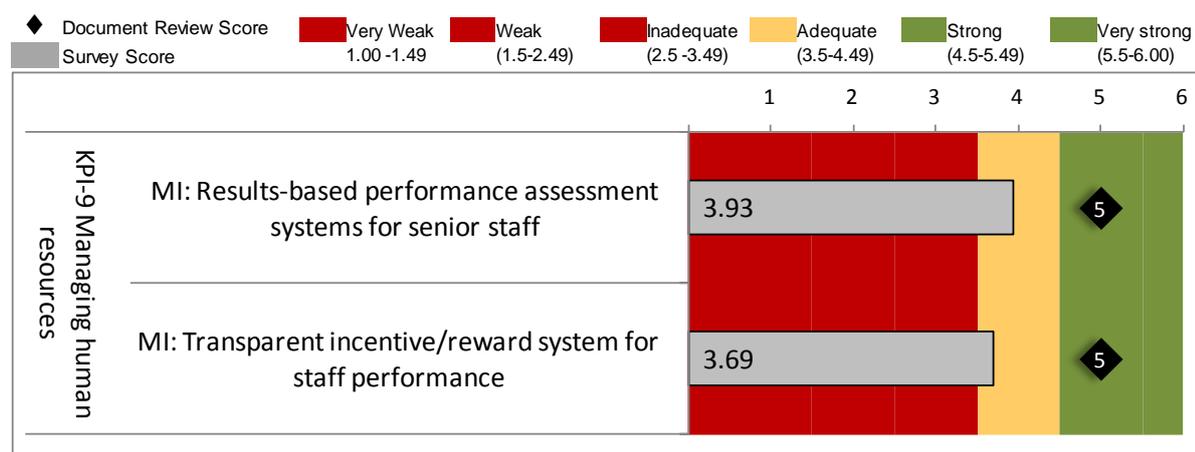
MI 9.1 – Results-based performance assessment systems for senior staff

Donors at headquarters, the only respondent group asked, rated UNEP as adequate on this MI, but a large majority (71 per cent) answered 'don't know.' The document review provided a rating of strong.

UNEP uses the Performance Management and Development System of the UN Secretariat. It applies to all staff members who hold appointments of at least one year (except for senior managers at the levels of Assistant Secretary-General and Under Secretary General, which are discussed below). The system captures the main stages of the performance process (workplan, midpoint review and end-of-year performance appraisal). UNEP reviews its compliance with the performance management system annually; all staff members are expected to complete performance related workplans that are assessed by their first and second reporting officers half way through the work plan year and at the end of the cycle.

Senior managers at UNEP are assessed on the basis of a Senior Manager's Compact that describes the objectives, expected accomplishments, and performance indicators used to assess the performance of each manager.

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[26] See the UN Secretariat policy: "Administrative instruction – Performance Management and Development System" updated in 2010.

MI 9.2 – Transparent incentive/reward system for staff performance

This MI was assessed by donors at headquarters and by document review. Survey respondents provided mixed views and had a very low level of knowledge regarding UNEP's use of incentive systems (20 per cent rated UNEP as adequate or above, 12 per cent as inadequate or below, and 69 per cent answered 'don't know').

The document review provided a rating of strong. As noted above, UNEP uses the Performance Management and Development System of the UN Secretariat. Sections 9 and 10 of the administrative instructions for this system describe how staff performance relates to promotion (advancing from one grade to the next) and to rewards. No reviews or evaluations commenting on the performance management system or UNEP's transparency in human resource decisions have been identified.

KPI 10: Performance oriented programming

Finding 10: **Survey respondents and the document review concur that UNEP adequately sets milestones to measure the progress of project and sub-programme implementation. However, baseline values could be used more consistently in Project Documents.**

All respondent groups other than peer organisations were asked if UNEP sets targets to monitor the progress of project or sub-programme implementation. Survey respondents and the document review rated UNEP as adequate on this KPI, although there is potential for UNEP to improve the use of baseline values in measuring the progress of project implementation.

Figure 3.16 KPI 10: Performance Oriented Programming, Ratings of Micro-Indicators
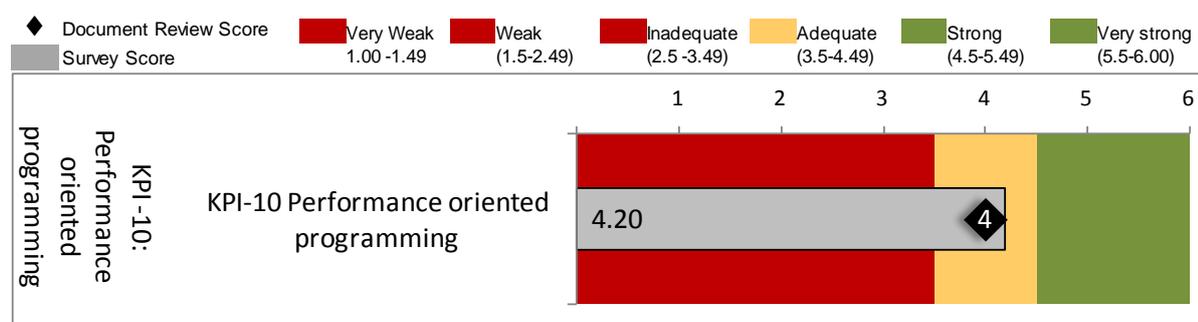
MI 10.1 – Milestones/targets set to rate the progress of implementation

A majority of survey respondents (73 per cent) and the document review rated UNEP as adequate on this MI.

In all the Project Documents sampled, the log frames included milestones and targets for project implementation. UNEP reviews milestones as a tool for monitoring the progress of a project towards outputs and expected accomplishments. However, baseline values are not consistently included in the log frames of Project Documents, which constitutes a limitation in terms of measuring the progress towards outcomes.

KPI 11: Delegating decision making

Finding 11: According to survey respondents, UNEP's regional offices have adequate authority to manage activities, and the document review rates UNEP as strong in delegating decision making.

Survey respondents were asked to assess the extent to which UNEP's regional offices have sufficient delegated authority to manage activities at a regional level. While 50 per cent rated UNEP as adequate or above on this MI, 31 per cent answered 'don't know.'

The document review assessed the extent to which decisions can be made regionally and whether initiatives can be approved regionally – and rated UNEP as strong on both.

UNEP has worked to delegate decision making for more than a decade. Its regional offices have been strengthened with additional staff supported by a central coordinating unit. The Medium-term Strategy commits UNEP to implementing a strategic presence model (described in the policy paper from 2009 *Moving Forward with UNEP's Strategic Presence 2010 – 2013)* that will require additional efforts in this regard.

UNEP's delegation of decision making is also guided by UNEP's *Programme Accountability Framework* and a Delegation of Authority agreement signed by UNEP's Executive Director for each of the Regional Directors.

Figure 3.17 KPI 11: Delegating Decision Making, Ratings of Micro-Indicators
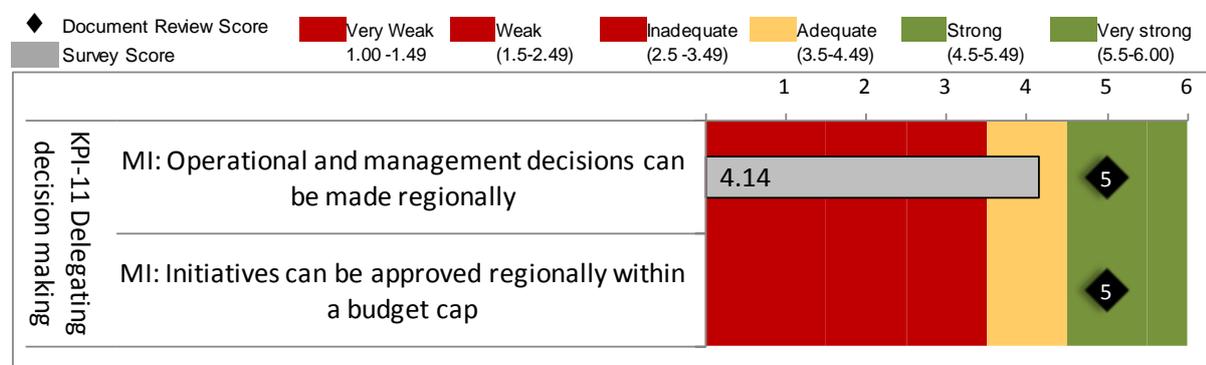
MI 11.1 – Operational and management decisions can be made regionally

Approximately half of the respondents rated UNEP as adequate for delegating authority to manage activities at the regional level, but 31 per cent answered 'don't know' to this question.

The document review rated UNEP as strong on this MI. UNEP's *Programme Accountability Framework* from 2010 describes the accountability of managers and staff within the organisation. It also provides the principles and roles of different units and managers regarding the delegation of programmatic, managerial and financial authority (section 4, Delegation of Authority). In addition, the agreements signed by the Executive Director and the Regional Directors for each of UNEP's Regional Offices describe in detail the delegation of authority at the regional level including programme management, management of financial and physical resources, and human resource management.

The Medium-term Strategy 2010-2013 describes how UNEP is moving towards a strategic presence model which involves a strengthening of regional offices. This is in line with Governing Council decisions 19/31 and 20/39 regarding the strengthening of regional offices and stronger regionalisation and decentralisation in general.

MI 11.2 – Initiatives can be approved regionally within a budget cap

This MI was assessed as strong by the document review. Delegation of financial decision making is described in detail in the Delegation of Authority agreements signed by the Executive Director and the Regional Director for each of UNEP's regions. According to the agreements, Regional Directors can sign for new projects or the revision of projects within a budget cap of US$ 500,000.00.[27]

3.3.4 Relationship Management

According to survey respondents, relationship management is UNEP's strongest area of performance. They rated UNEP as strong in providing valuable inputs to policy dialogue and respecting the views of its partners, and as adequate overall in the KPIs in this quadrant.

Figure 3.18 below shows the overall survey ratings for the four KPIs in the relationship management quadrant. According to survey respondents, UNEP performs adequately in all areas and is considered strong in contributing to policy dialogue – the highest rated KPI in this assessment.

Figure 3.18 Quadrant III: Relationship Management, Survey and Document Review Ratings
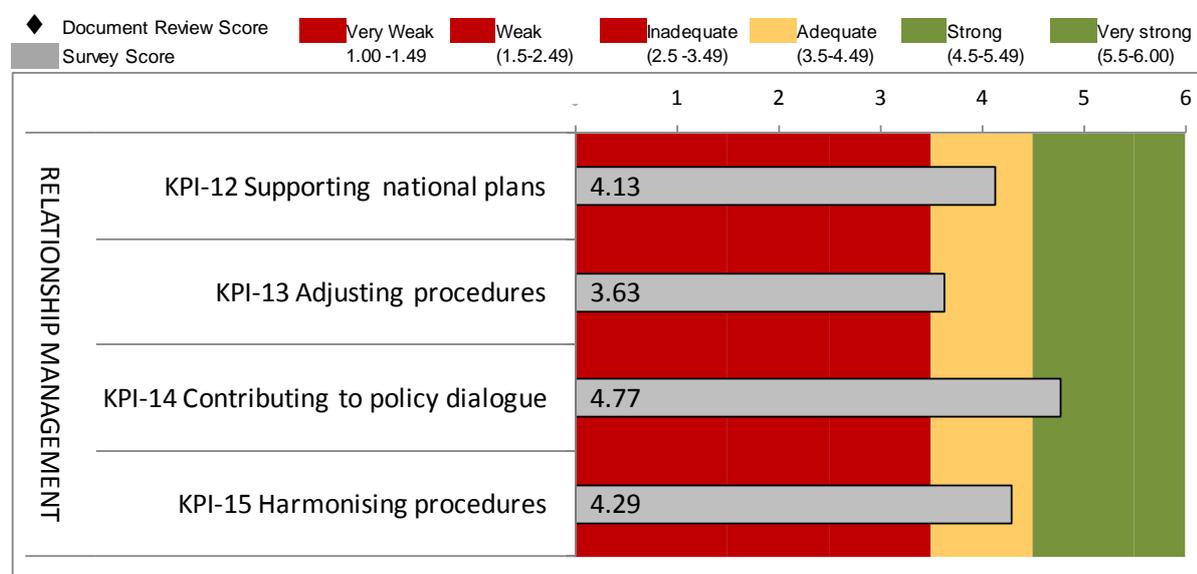
Figure 3.19 shows the mean scores for the four KPIs for all survey respondents, and by respondent group

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[27] However, there is no budget cap for the Regional Office of Europe.

Figure 3.19 Quadrant III: Relationship Management, Mean Scores by Respondent Group

	Very Weak 1.00-1.49	Weak (1.5-2.49)	Inadequate (2.5-3.49)	Adequate (3.5-4.49)	Strong (4.5-5.49)	Very strong (5.5-6.00)

	Total Mean Score	Peer Organisations	Direct Partners	Donors in Country	Donors at HQ
KPI-12 Supporting national plans	4.13	NA	4.40	3.90	4.12
KPI-13 Adjusting procedures	3.63	NA	4.08	3.24	NA
KPI-14 Contributing to policy dialogue	4.77	4.89	4.74	4.73	4.71
KPI-15 Harmonising procedures	4.29	4.33	4.60	4.07	4.44
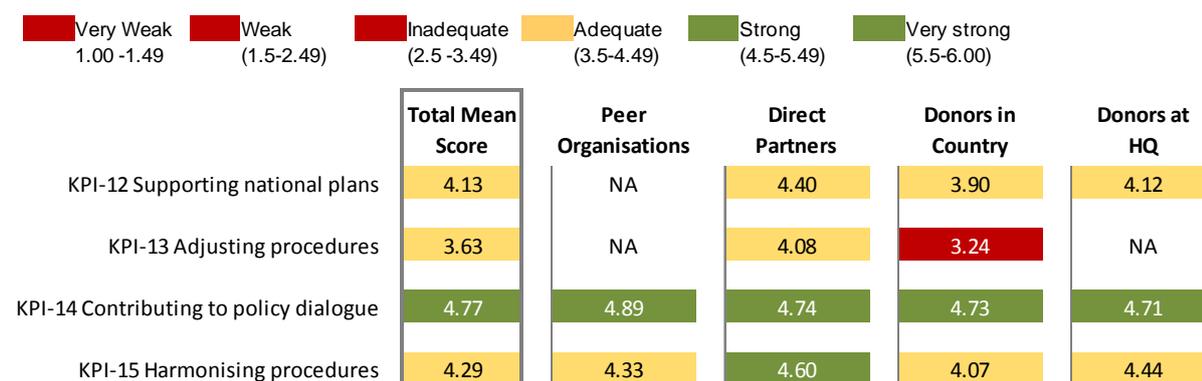
KPI 12: Supporting national plans

Finding 12: Survey respondents consider UNEP's performance in supporting national priorities as adequate.

The majority of survey respondents (72 per cent) rated UNEP as adequate or above on the extent to which its support appropriately responds to the priorities identified by national governments or other partners.

Figure 3.20 KPI 12: Supporting National Plans, Ratings of Micro-Indicators
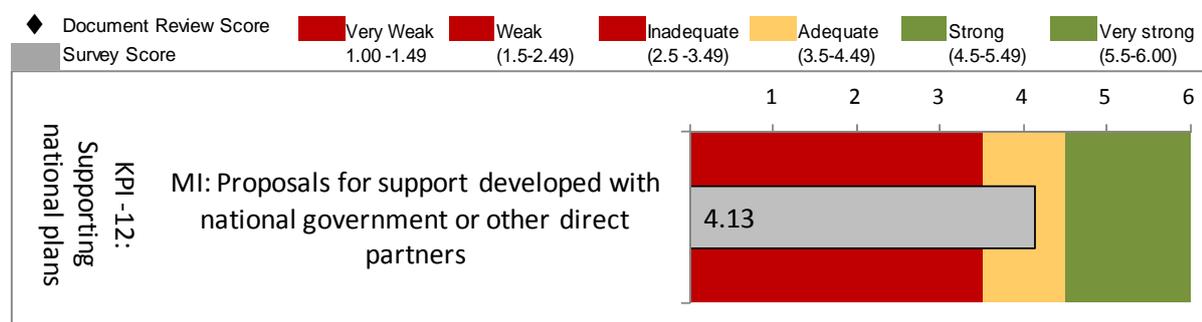
## KPI 13: Adjusting procedures

Finding 13: While UNEP is considered adequate overall in adjusting procedures, survey respondents had mixed opinions on this area of performance.

Overall, survey respondents rated UNEP as adequate on the four MIs in this KPI. However, opinions were mixed on all questions: 48 to 59 per cent of respondents rated UNEP as adequate or above and 27 to 40 per cent as inadequate or below.

Figure 3.21 KPI 13: Adjusting Procedures, Ratings of Micro-Indicators
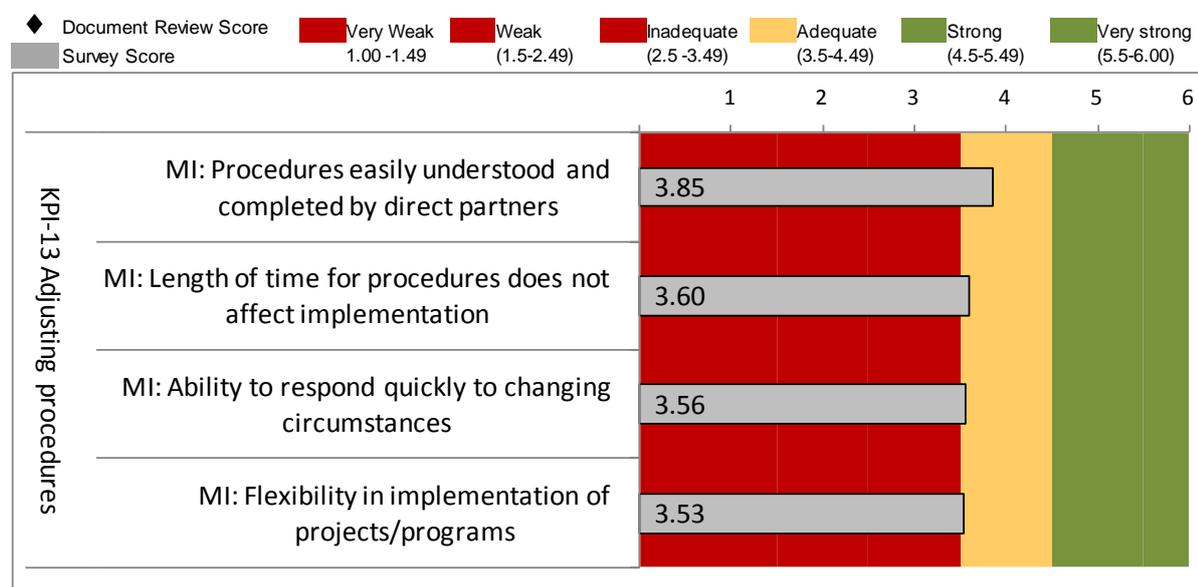
MI 13.1 - Procedures easily understood and completed by clients

The majority of survey respondents (59 per cent) rated UNEP as adequate or above for procedures that can be easily understood and followed by direct partners.

MI 13.2 - Length of time for procedures does not affect implementation

Respondent opinions were mixed on this MI: 48 per cent did not think that the length of time it takes to complete UNEP procedures affects implementation, but 35 per cent rated UNEP as inadequate or below on this indicator.

MI 13.3 - Ability to respond quickly to changing circumstances

UNEP was rated as adequate overall for responding quickly to changing circumstances, but opinions were mixed: 50 per cent of respondents rated UNEP as adequate or above and 40 per cent as inadequate or below.

MI 13.4 - Flexibility in implementation of projects/programmes

While 50 per cent of survey respondents found UNEP's capacity to adjust its implementation as learning occurs to be adequate or better, 38 per cent rated its performance as inadequate or below.

KPI 14: Contributing to policy dialogue

Finding 14: All respondents were positive about UNEP's contributions to policy dialogue and provided consistently strong ratings in this key performance area.

This was the highest rated key performance indicator in the survey and a large majority of respondents provided ratings of adequate or above on the two MIs in this area.

Figure 3.22 KPI 14: Contributing to Policy Dialogue, Ratings of Micro-Indicators
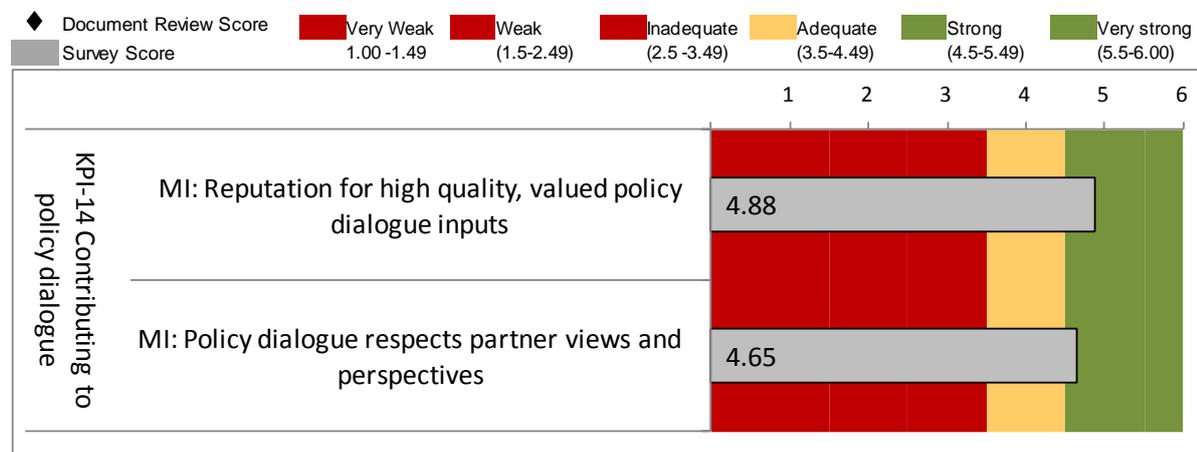
MI 14.1 - Reputation for high quality, valued policy dialogue inputs

All respondent groups rated UNEP's performance as strong in providing valuable inputs to policy dialogue: 89 per cent provided ratings of adequate or above, while only 5 per cent rated it as inadequate or below.

### MI 14.2 - Policy dialogue respects partner views and perspectives

UNEP's respect for the views of its partners during policy dialogue was rated as strong by all respondent groups.

KPI 15: Harmonising procedures

Finding 15: Respondents rated UNEP as adequate overall in harmonising procedures.

This key performance indicator was not assessed by the document review, but the majority of survey respondents rated UNEP's performance as adequate or above on this KPI.

Figure 3.23 KPI 15: Harmonising Procedures, Ratings of Micro-Indicators
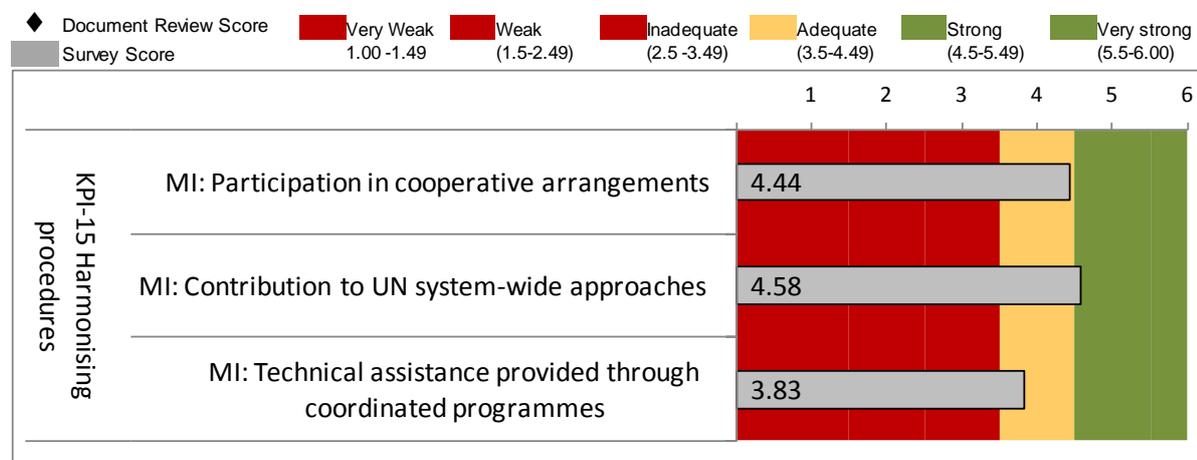
MI 15.1 - Participation in cooperative arrangements

In the survey, 78 per cent of respondents provided ratings of adequate or above on this MI.

Although this MI was not rated on specific MOPAN criteria, the document review found significant evidence of UNEP's participation in cooperative arrangements with partners.

In 2009, UNEP developed a *Policy on Partnerships and Guidelines for Implementation* that specifies the types of partnerships UNEP can engage in, selection criteria for partners, legal arrangements, and principles for monitoring and evaluation.

According to the 2010 Office of Internal Oversight Services (OIOS) audit of *UNEP Project Delivery Arrangements via Partnerships*, UNEP entered into more than 750 partnerships (private sector, NGO, government) between 2008 and 2010.

MI 15.2 - Contribution to UN system-wide approaches

The majority of survey respondents (66 per cent) found that UNEP makes valuable contributions to UN system-wide approaches through such bodies as the Environmental Management Group (EMG), the Chief Executive Board (CEB), the UN Development Group (UNDG), and UN Development Assistance Framework (UNDAF) processes.

MI 15.3 – Technical assistance provided through coordinated programmes

While 54 per cent of survey respondents rated UNEP as adequate or above for providing technical assistance through coordinated programmes, 27 per cent rated it as inadequate or lower.

3.3.5 Knowledge Management

UNEP has recently strengthened its evaluation office and has produced a Lessons Learned Framework. However, UNEP still has some gaps in its presentation of performance information.

Figure 3.24 below shows the overall survey and document review ratings for the three KPIs in the knowledge management quadrant. According to survey results, UNEP performs adequately on all KPIs. The document review rated UNEP as strong for disseminating lessons learned and evaluating external results, but inadequate for presenting performance information.

Figure 3.24 Quadrant IV: Knowledge Management, Survey and Document Review Ratings
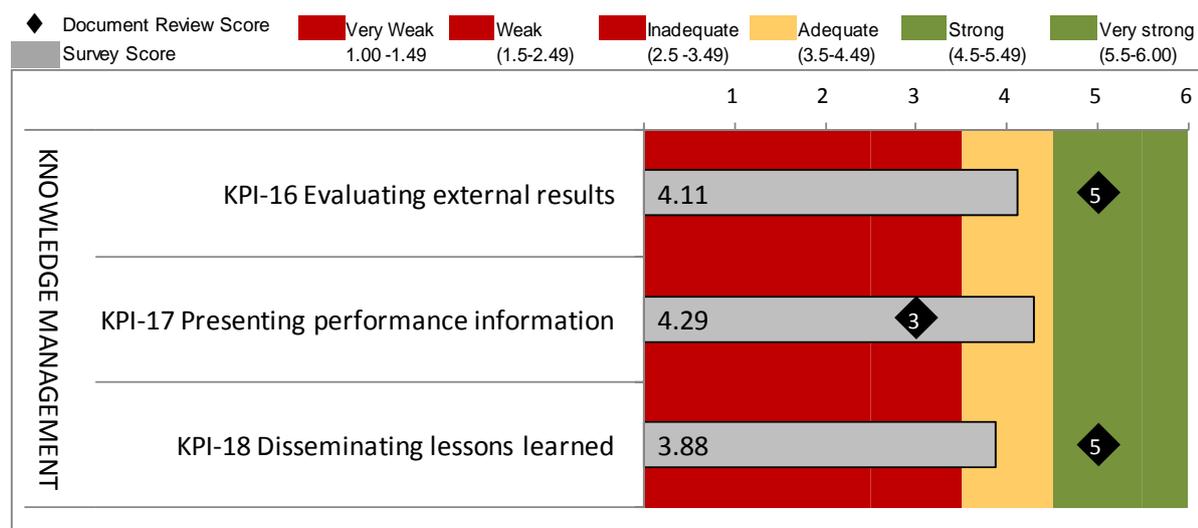

Figure 3.25 shows the mean scores for the three KPIs for all survey respondents, and by respondent group.

**Figure 3.25 Quadrant IV: Knowledge Management, Mean Scores by Respondent Group**

	Total Mean Score	Peer Organisations	Direct Partners	Donors in Country	Donors at HQ
KPI-16 Evaluating external results	4.11	4.13	4.40	3.29	4.18
KPI-17 Presenting performance information	4.29	NA	NA	NA	4.29
KPI-18 Disseminating lessons learned	3.88	NA	NA	NA	3.88
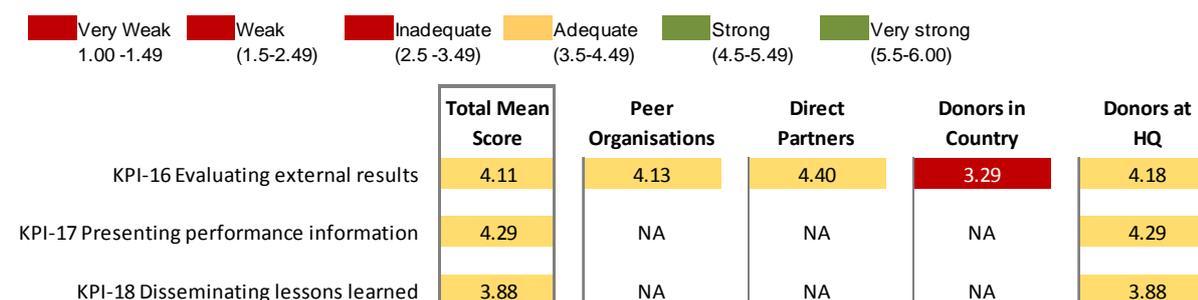
KPI 16 – Evaluating external results

Finding 16: UNEP was considered adequate by respondents in using evaluation findings and involving stakeholders in evaluation. The document review rated UNEP as adequate or strong in evaluating results.

UNEP's Evaluation Office conducts, coordinates and oversees evaluation in UNEP as described in the organisation's Evaluation Policy.

The Evaluation Office conducts various types of evaluations and management studies, in accordance with the requirements of the UN General Assembly, UNEP Governing Council, and the norms and standards for evaluation of the UN system. Activities include: in-depth sub-programme and project evaluations, evaluations of expected accomplishments, project supervision reviews, management studies; and evaluation synthesis reports at the end of each biennium. The Evaluation Manual provides guidelines and practical approaches for conducting evaluations in UNEP.

Figure 3.26 KPI 16: Evaluating External Results, Ratings of Micro-Indicators
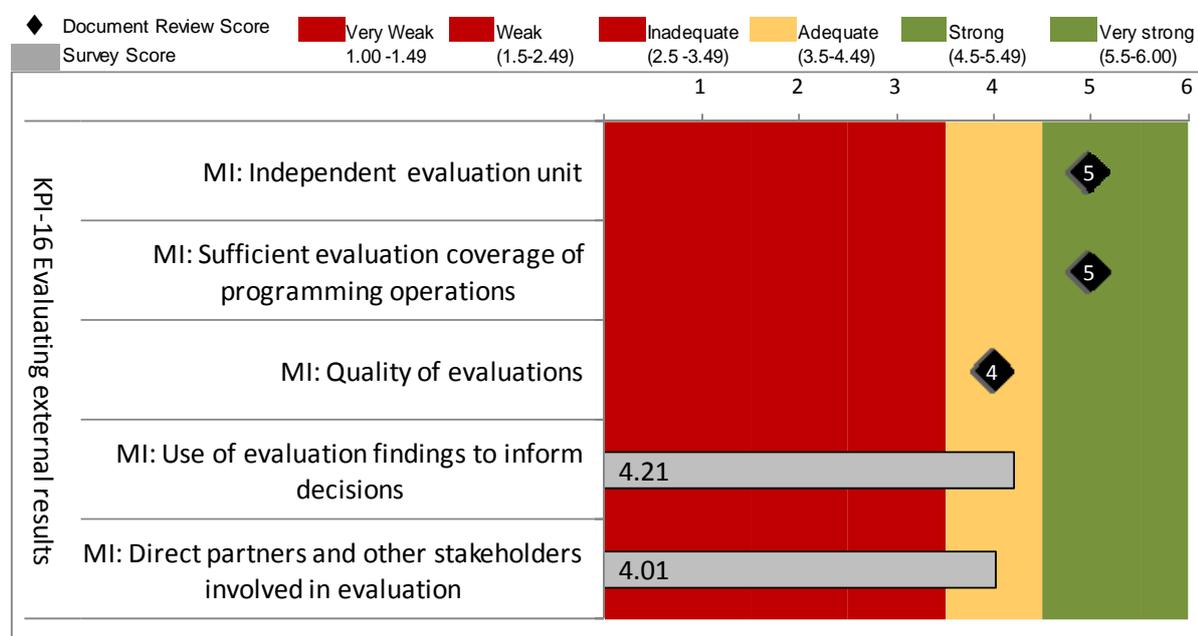
MI 16.1 – Independent evaluation unit

The document review rated UNEP as strong on this MI.

The role and mandate of the Evaluation Office are described in the *United Nations Environment Programme Evaluation Policy* (2009). The office's mandate covers all programmes and projects of the Environment Fund, related trust funds, earmarked contributions, and projects implemented by UNEP under the Global Environment Facility (GEF). Located within the Executive Office, it reports directly to the Executive Director and works independently from the programmatic divisions. The evaluation policy clearly articulates the operational independence of the unit (ability to develop work programme, report on evaluation finding, etc). This level of independence is in accordance with UN norms and standards.

MI 16.2 – Sufficient evaluation coverage of programming operations

The document review rated UNEP as strong regarding the coverage of its evaluations.

According to the Evaluation Synthesis Report, 41 evaluations were conducted during 2008 and 2009; these included 38 project evaluations, a management study, a sub-programme evaluation, and an evaluation of a UNEP partnership. The evaluated projects represented a monetary value of over $ 217 million which is equivalent to 60 percent of the total amount of projected resources for the period.

The *Evaluation Policy* defines the overall principles for the frequency of evaluations, while more detailed descriptions of evaluation planning and priorities are found in the Biennial Evaluation Workplan which is part of UNEP's proposed biennial programme and budget documents. These documents indicate that all UNEP sub-programmes and projects will be evaluated within the period covered by the MTS.

Two sub-programme evaluations started in 2011 (*Environmental Governance* and *Disasters and Conflict*) and a formative evaluation reviewing the MTS and the Programme of Work was also conducted this year. Due to the rolling cycle of sub-programme evaluations within the four year period of the MTS, the remaining sub-programmes will be evaluated in 2012 and 2013.

MI 16.3 – Quality of evaluations

This MI was assessed by document review which provided a rating of adequate.

The MOPAN assessment does not directly examine the quality of evaluation reports. Instead, it seeks to identify the organisation's practices with respect to ensuring evaluation quality.

UNEP has policies and procedures in place to ensure quality control of its evaluations. For example, the *Evaluation Policy* obliges UNEP to periodically submit its evaluation function to an independent and external peer review. Furthermore, the 2008-2009 *Evaluation Synthesis Report* describes a self-assessment performed by the Evaluation Office annually to verify the quality of its operations and products. Self-assessments have been conducted by the Evaluation Office since 2006. By December 2012, a peer review will also take place, based on recommendations from an OIOS audit report.

MI 16.4 – Use of evaluation findings to inform decisions

Donors at headquarters, the only respondent group questioned, considered UNEP adequate in using evaluation findings in its decisions concerning programming, policy and strategy.

**MI 16.5 – Direct partners and other stakeholders involved in evaluation**

The majority of survey respondents rated UNEP as adequate or above on the extent to which it involves direct partners and other stakeholder groups in evaluations of its projects or programmes.

KPI 17: Presenting performance information

Finding 17: UNEP receives mixed ratings for documenting and reporting on performance and there is potential for improvement, especially in its use of performance indicators.

Survey respondents rated UNEP as adequate on reporting on outcomes achieved, the only MI they were asked to assess in this key performance area. The document review assessed five MIs and provided ratings from inadequate to adequate.

Figure 3.27 KPI 17: Presenting Performance Information, Ratings of Micro-Indicators
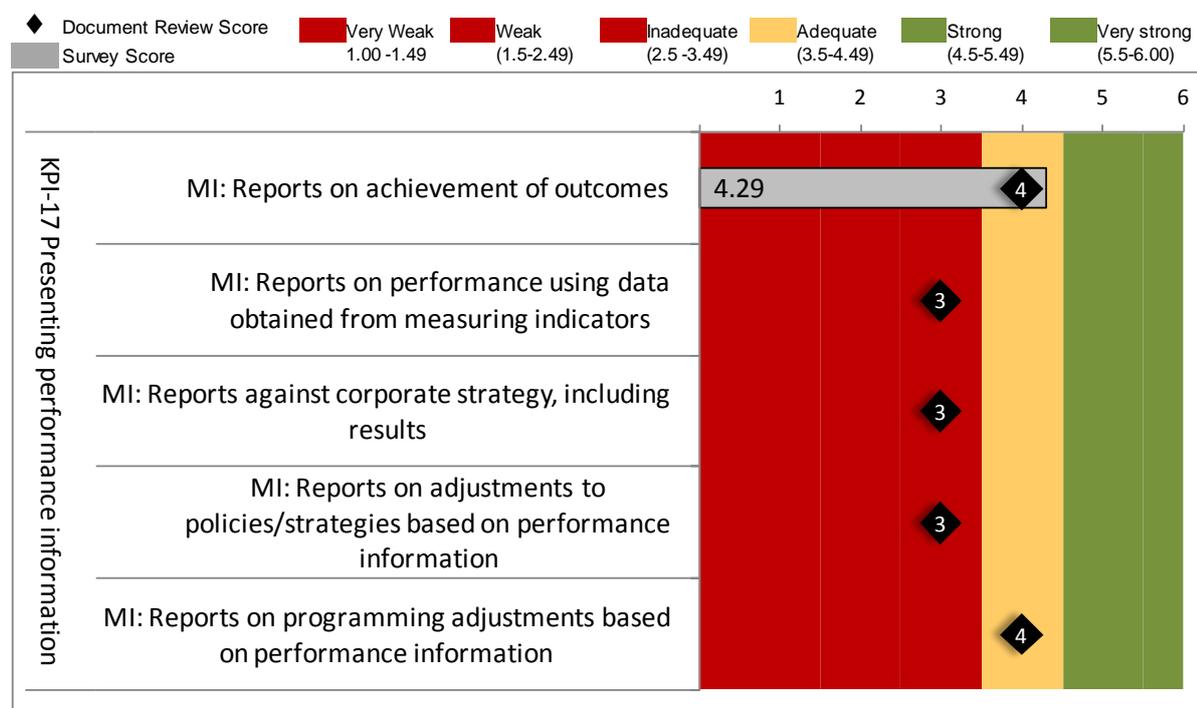
MI 17.1 – Reports on achievement of outcomes

This MI was rated by the document review and surveyed donors at headquarters. A majority of respondents (75 per cent) rated UNEP as adequate or above in reporting on outcomes.

UNEP reports on achievement of outcomes in the biennial Evaluation Synthesis Report and the Programme Performance Report. The Programme Performance Report describes the outputs achieved in each sub-programme and discusses progress on the achievement of outcomes in Section B "Expected Accomplishments." The same section includes an assessment of risks and management actions taken in relation to the expected accomplishments. Results at the expected accomplishment level are measured against performance indicators and units of measure. However, while the reporting is based on a logic structure linking outputs to specific expected accomplishments, there is no evidence that the assumed causal links between the two result levels have been systematically assessed. UNEP acknowledges this issue and writes that: "*The focus of this report is on performance measurement towards achieving results and not results measurement per se. Thus (...) evaluation is necessary for an objective verification of these results and the degree to which they can be attributed to UNEP.*"[28]

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[28] See Programme Performance Report # 2, 2010, p.1

According to UNEP's Evaluation Plan, the Evaluation Office will undertake a formative evaluation of the causal relationships embedded in projects to understand how and to what extent they are linked to the expected accomplishments. However, it is not clear when this evaluation will take place.

MI 17.2 – Reports on performance using data obtained from measuring indicators

UNEP received an inadequate rating from the document review on performance reporting using data obtained from measuring indicators.

As mentioned above, UNEP reports on its overall performance in the biennial Programme Performance Report. While expected accomplishments are assessed against indicators that respect accepted quality standards such as the SMART and CREAM,[29] the indicators at the output level are less clear. Although the outputs are accompanied by targets, clear and measurable indicators are not provided at this level. That being said, the latest Programme Performance Report (December 2010) is an improvement over previous reports in several ways: it includes a more systematic description of outputs achieved and their links to expected accomplishments, and it indicates projects that are not on track and where corrective action is necessary, and the division accountable for taking action.

MI 17.3 – Reports against its corporate strategy, including results

UNEP received a rating of inadequate for reporting against its corporate strategy, including expected management and development results. The organisation reported on the programmatic results and expected accomplishments identified in the MTSP and in the Proposed Biennial Programme and Support Budgets for 2010-2011. However, its results frameworks for the biennium 2010-2011 did not include management results. The Strategic Framework 2012-2013 includes management results and it is expected that UNEP's Programme Performance Report for the 2012-2013 biennium will include both management and programmatic results.

MI 17.4 – Reports on adjustments to policies/strategies based on performance information

On the basis of the documents made available to the Assessment Team, UNEP was rated as inadequate in reporting on adjustments made to organisation-wide policies and strategies based on performance information. UNEP reports on its organisation-wide performance in the biennial Programme Performance Reports, which describe the successes and main challenges encountered in the different sub-programmes and the management actions taken to mitigate risks and challenges. However, none of the available reports report on adjustments made to policies and strategies.

The MTS 2010-2013 includes a section on "Lessons learned and comparative advantages" that describes how UNEP went through "an intense process of self-reflection during 2006-2007 on how to become more effective, efficient results-focused". The process involved both internal and external reviews and resulted in a number of recommendations that have been incorporated in the strategy.

### MI 17.5 – Reports on programming adjustments based on performance information

Based on a review of the most recent sub-programme evaluation reports, it appears that UNEP's capacity to make adjustments to sub-programmes based on performance information is adequate.

As noted earlier, UNEP's Programme Performance Reports provide an account of the highlights and challenges of each sub-programme during the last biennium and describe the management actions taken or planned.

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[29] SMART means: Specific, Measurable, Achievable, Relevant, Time phased; CREAM stands for: Clear, Relevant, Economic, Adequate, Monitorable.

KPI 18: Disseminating lessons learned

Finding 18: **Donors at headquarters, the only respondent group asked about this KPI, rated UNEP as adequate overall in disseminating lessons learned, but their level of familiarity was low. The document review rated UNEP as strong for reporting on lessons learned.**

Figure 3.28 KPI 18: Disseminating Lessons Learned, Ratings of Micro-Indicators
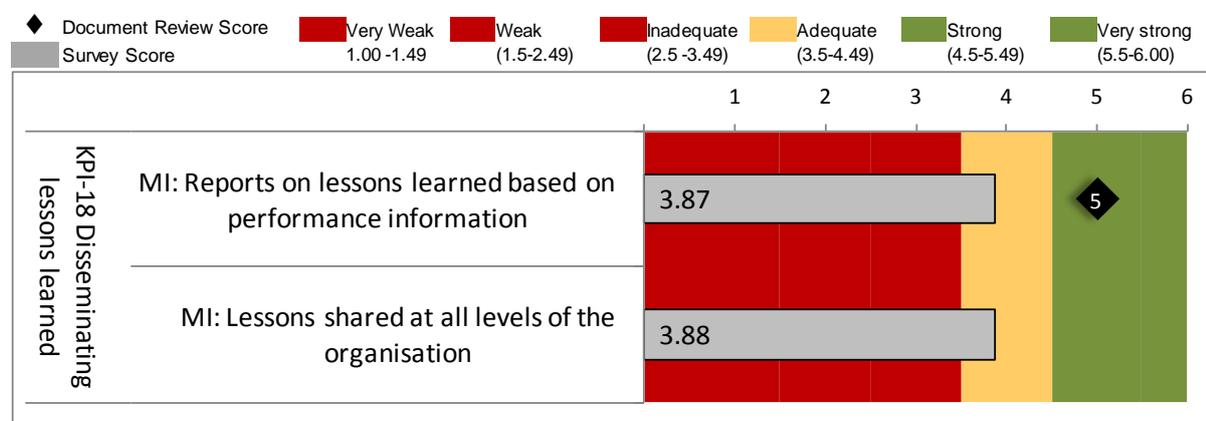
MI 18.1 – Reports on lessons learned based on performance information

In the survey, 53 per cent of respondents rated UNEP as adequate or above on this MI, 24 per cent rated it as inadequate or lower, and 24 per cent responded 'don't know.'

The document review provided a rating of strong. UNEP's Evaluation Office is responsible for collecting and disseminating lessons learned. In 2007 UNEP conducted an internal review and developed a *Framework of Lessons from Evaluation* to enhance their quality and use. The framework includes a number of minimum quality criteria for the development of lessons learned and describes how it adheres to the UNEG Standards for Evaluation in the UN system, including standards for lessons learned.

MI 18.2 – Lessons shared at all levels of the organisation

Asked about the extent to which UNEP provides opportunities to share lessons from practical experience, 37 per cent of respondents rated UNEP as adequate or above, 14 per cent as inadequate or below, and a high percentage (49 per cent) answered 'don't know'.

4. Conclusion

This is the first time that MOPAN has conducted an assessment of UNEP. The assessment required adaptations to the MOPAN methodology to reflect the unique mandate and operating structure of the organisation. UNEP was a supportive and willing partner in this process.

This conclusion steps away from the specific ratings of the MOPAN assessment and looks at the major messages that can contribute to dialogue between MOPAN, UNEP and its partners.

UNEP provides regional and global perspectives on critical environmental issues

A primary function of UNEP's work is to review global environmental trends, signal emerging issues, and use its convening power to catalyse and promote international cooperation and action. UNEP is also tasked with advancing the development and implementation of environmental norms and policies, and with improving coordination, cooperation and coherence across the UN system and multilateral environmental agreements.

A significant number of respondents agreed that UNEP's global focus and convening role constitute some of its strengths. When asked to describe the main strengths of UNEP, many respondents commended UNEP for its regional and global focus and the way it uses its normative role and related scientific expertise. Many also agreed that it offers a global reference point on a wide range of environmental issues of concern for the international community.

UNEP has demonstrated commitment to managing for results

In 2008, UNEP embarked on an ambitious reform process to become more results-focused and increase its organisational effectiveness. With the implementation of its results-based Medium-Term Strategy and Programme of Work for 2010-2011, the organisation significantly changed the architecture of its programming and operating structure to improve coordination within the organisation, eliminate duplication of work, and remove the "silo mentality". In UNEP's new management framework, the Medium-Term Strategy 2010-2013 (MTS) is being implemented through a matrix management approach that involves six divisions implementing six sub-programmes across divisions. For the first time management results have been introduced in the proposed biennial programme and support budgets for 2012-2013. As noted in the MTS, the transformation into a fully results-based entity is an on-going process that will be achieved over several programming cycles.

Human well-being[30] is not reflected consistently in UNEP's strategy and programs

UNEP has integrated a focus on human well-being in a number of major initiatives such as its Green Economy Initiative and the Poverty and Environment Initiative and has instructed projects to address poverty alleviation in their design. Project documents reviewed for the assessment confirm that this issue is addressed in the project planning phase. However, the integration of human well-being in organisation-wide programming is less clear and there is no evidence of a wider programmatic approach or policy in this area. UNEP's Medium-Term Strategy does not explicitly identify human well-being as a thematic priority and, while dimensions of human well-being are mentioned in the overall objectives of two sub-programmes (Disasters and Conflicts and Ecosystem Management), the concept is not clearly defined and operationalised at that level.

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[30] This is an admittedly broad concept that encompasses poverty reduction and other socio-economic issues.

UNEP's criteria for program resource allocation are not transparent

There is little evidence of how UNEP decides to allocate program resources, and if it has criteria for the distribution of resources. Although it is recognised that the actual allocation of program resources is the result of a negotiating process among governments, primarily through the Committee of Permanent Representatives, UNEP could do better in disclosing its own initial criteria for allocating program resources. UNEP has established a Task Team on Programme Management and Implementation to further improve the transparency of its resource allocation decisions. Its work has been concluded and a new practice will be piloted in the forthcoming allocation.

UNEP stakeholders value its contributions to policy dialogue and its respect for the views of its stakeholders

UNEP's contributions to policy dialogue are highly valued. When asked to describe UNEP's strengths, many respondents mentioned its contributions to policy dialogue and its significant influence on environmental policies. Its contributions to policy dialogue also received the highest score of all key performance indicators in the survey.