

Multilateral Aid Review: United Nations Development Programme (including the Bureau for Crisis Prevention and Recovery)

Summary

Organisation: **UNDP (including BCPR)** Date: February 2011

Description of Organisation

The United Nations Development Programme (UNDP) works at the heart of the UN development system. It has a leading role in progressing MDG achievement, particularly in fragile and conflict-affected countries. Its mandate is outlined within its Strategic Plan 2008-2013 and covers poverty reduction and achieving the MDGs, democratic governance, crisis prevention and recovery, environment and sustainable development as well as cross cutting themes such as women's empowerment and capacity building. UNDP also incorporates UN Volunteers and the United Nations Capital Development Fund (UNCDF). UNDP spends over \$5 billion a year (\$1.1 billion in core and \$3.9 billion in non-core funding) through 5 regional and 166 country offices.

As well as delivering development programmes UNDP has a critical role in supporting the UN development system's collective impact. It funds and manages the UN's Resident Co-ordinators that lead the UN's effort in more than 130 countries. It administers many of the UN's Multi-Donor Trust Funds (MDTFs) and it often provides a platform for other UN agencies in country. The UNDP Administrator chairs the UN Development Group (UNDG), which seeks to improve the coherence, effectiveness and efficiency of the UN's development effort.

This review also includes explicit consideration of the UNDP Bureau for Crisis Prevention and Recovery (BCPR). BCPR is responsible for supporting UNDP's work on prevention of and recovery from conflict and natural disasters. It operates through some 100 UNDP country offices with a focus on fragile and conflict/crisis affected contexts. It receives 7.2% of UNDP core funds and direct funding from donors, including DFID, which is pooled in its Thematic Trust Fund.

In 2008/09 DFID provided a total of £264m of development assistance through UNDP. This comprised £55m in core funding, £86m via Multi Donor Trust Funds, £98m in direct support of projects at country level and £25m via system-wide funds and thematic funds. Since 2008 DFID's core funding has been linked to a Performance Framework. Earmarked financial support for BCPR of £17.5m over 2009-11 was agreed in 2009.

UNDP is governed by an Executive Board of 36 UN member states serving on a rotational three-year basis. Board meetings are held three times a year. The Administrator, Helen Clark, is an Under Secretary General (USG) reporting to the UN Secretary General. UNDP's Associate Administrator, Rebeca Grynspan, is also an Under Secretary General.

Contribution to UK Development Objectives	Score (1-4)
<p>1a. Critical role in meeting International Objectives</p> <ul style="list-style-type: none"> + UNDP has a direct programmatic role on a number of MDGs and, combined with its role in supporting the international system's understanding of and commitment to them, is central to the delivery the MDGs. + It is at the heart of the UN development system and plays an important co-ordination role. It manages the Resident Co-ordinator system and administers most UN multi-donor trust funds. The UNDP Administrator chairs the UN Development Group. + At a country level UNDP has unique legitimacy with partner governments and so can provide support in difficult or political contexts where other development entities cannot. This is especially the case for democratic governance. In fragile states UNDP may be the only multilateral with the capacity to deliver at scale and in these situations can be the main agency representing the UN or wider multilateral development system. = UNDP is both relevant and critical to the delivery of development and humanitarian objectives. 	<p>Strong (4)</p>
<p>1b. Critical role in meeting UK Aid Objectives</p> <ul style="list-style-type: none"> + UNDP's mandate and operations are aligned with DFID's strategic priorities, most critically in governance and security and delivery of the MDGs. + Country level feedback showed that UNDP has a critical role, especially in difficult contexts. + UNDP is important to broader HMG development objectives, notably on stabilisation and post conflict recovery. = UNDP is critical to the delivery and achievement of DFID/HMG development objectives and this is expected to continue. 	<p>Strong (4)</p>
<p>2. Attention to Cross-cutting Issues:</p> <p>2a. Fragile Contexts</p> <ul style="list-style-type: none"> + UNDP has significant in-house capacity on working in fragile contexts and has a range of guidance, analytical tools and social safeguards which are improving the consideration of fragility in its programming. + It has good monitoring and reporting mechanisms which help to strengthen its performance in fragile contexts. - Its performance at a country level is mixed. It has reasonable training but struggles to fill posts. = UNDP has capacity and systems in place but performance at a country level in fragile states needs to be much more consistent. 	<p>Satisfactory (3)</p>

<p>2b. Gender Equality</p> <ul style="list-style-type: none">+ Starting from a low base UNDP has made significant progress in improving its gender equality policy framework.+ UNDP has strong leadership and incentive mechanisms on gender.- Successful delivery depends on building capacity across the organisation.+ UNDP has good partnerships and a range of mechanisms for generating research and evidence to inform policy choices.- We could find limited evidence of the progress on leadership, incentives, partnerships and knowledge having an impact. This partly reflects the fact that many changes are recent.= UNDP cannot to date demonstrate a track record of gender impact, but it has good policies and systems in place and there is a clear upward trajectory on its gender work. <p>2c. Climate Change and Environmental Sustainability</p> <ul style="list-style-type: none">+ UNDP has a Climate Change Strategy and other relevant policies to guide staff on climate change issues.+ UNDP is bringing in mechanisms to ensure climate change and disaster risk reduction (DRR) is considered in country programming.- We could find no evidence to suggest that climate change and environmental measures are routinely measured across UNDP's results frameworks.- We could find no evidence of the Climate Strategy directly guiding resource allocation decisions= There is inadequate evidence of environmental safeguards and impact measurement.	<p>Satisfactory (3)</p> <p>Weak (2)</p>
<p>3. Focus on Poor Countries</p> <ul style="list-style-type: none">+ UNDP spends 54% of its resources in the countries that are in the top quartile of an index that compares each multilateral's country by country spend with an index that scores developing countries based on their poverty need and effectiveness (the strength of the country's institutions)+ This includes significant resources to some of the large developing countries such as Ethiopia, the DRC and Bangladesh at the top of the index.= The proportion of UNDP's resources going to the highest quartile is much lower than other top performing multilaterals – this is largely because the UNDP is spread (albeit thinly) across a number of middle-income countries (including upper middle income countries).	<p>Satisfactory (3)</p>

<p>4. Contribution to Results</p> <ul style="list-style-type: none"> + UNDP can demonstrate some good examples of country level results. + It has developed a system for monitoring portfolio quality. - Country visits and other evidence were highly critical of UNDP's ability to deliver results at a country level. - It often has too broad a portfolio, weakening its impact. - Its delivery can be undermined by staffing issues and bureaucratic processes. - Organisational level results are not clearly reported. = UNDP can demonstrate some contribution to development, but country delivery is often weak. 	<p>Weak (2)</p>
<p>Organisational Strengths</p>	
<p>5. Strategic & Performance Management</p> <ul style="list-style-type: none"> + UNDP's leadership has put in place a 'Business Action Plan' to improve its organisational effectiveness and better systems to track performance. + The Board holds management to account. - UNDP's near universal mandate means its technical resources are spread very thinly. - The Board does not provide strategic direction. - It has a weak results chain. - HR management is also weak. = UNDP's results framework, HR and prioritisation on areas where it can add most value are all weak and reduce its impact. 	<p>Score (1-4) Weak (2)</p>
<p>6. Financial Resources Management</p> <ul style="list-style-type: none"> + UNDP has a clear and transparent resource allocation system. + UNDP's financial systems allow it to make longer term commitments. + UNDP has a strong accountability framework in place that conforms to international good practice. - UNDP has systems to identify poorly performing projects, but country level evidence does not suggest that poor performing projects are being managed proactively. = Although UNDP is above average, some key areas remain weak. 	<p>Satisfactory (3)</p>
<p>7. Cost and Value Consciousness</p> <ul style="list-style-type: none"> + There is evidence of UNDP working with development partners to strengthen value for money returns. + UNDP can demonstrate progress in reducing budgeted administrative costs. It is also striving to make further progress through its Business Action Plan. 	<p>Weak (2)</p>

<ul style="list-style-type: none"> – While UNDP has sound procurement policies, little evidence was available of the extent to which they are used to drive the achievement of value for money. – There is limited evidence of active senior management consideration of cost control. – Country evidence points to mixed progress on achieving value for money. = We could not find sufficient evidence that UNDP is driving forward cost control across its programmes and administration. 	
<p>8. Partnership Behaviour</p> <ul style="list-style-type: none"> + UNDP has a strong array of partnerships, across the UN system and with member states. + It is well-placed to support partner governments and incorporate beneficiary voice in its programmes. + It is active in donor co-ordination. + BCPR plays an important co-ordination role in early recovery situations. – UNDP’s performance against Paris criteria is variable. It aligns well with partner country plans and programmes but can be inflexible and doesn’t make the best use of national systems. – It can fail to challenge national governments. – UNDP’s partnership with the World Bank needs to be more effective, particularly in fragile and crisis-affected countries. = UNDP has a strong commitment to partnership but its aid effectiveness record is variable and its partnership with the World Bank in fragile states could be more effective. 	<p>Satisfactory (3)</p>
<p>9. Transparency and Accountability</p> <ul style="list-style-type: none"> + UNDP has an information disclosure policy covering access to information, procurement and internal audit. This includes country programme and project documentation. + UNDP has signed up to IATI and is committed to meeting phase 1 standards by November 2011. + There is good representation of member states on the board with a 2:1 ratio of programme country to donor country membership. – UNDP does not put all its aid on budget and does not routinely publish its project level information. = UNDP has good disclosure practices, it is committed to IATI and has good member state representation. Implementation of IATI may take it to strong overall. 	<p>Satisfactory (3)</p>
<p>Likelihood of Positive Change</p>	<p>Score (1-4)</p>

<p>10. Likelihood of Positive Change</p> <ul style="list-style-type: none">+ There is past evidence of progress on reform.+ Helen Clark has articulated a commitment to reform.+ The Business Plan of Action provides a future reform opportunity. The prospects for BCPR reform are also positive.– DFID is active within and outside the governance structure, has strong relationships with likeminded member states, but our overall influence is limited.– The Executive Board is politicised and there is a lack of consensus on the key areas for reform. It is not clear that current plans for change will deliver the required depth and breadth of reform.= The scale of reform required is significant. There is some potential for progress but it is likely to only be incremental.	<p>Uncertain (2)</p>
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