

Evaluation of the Implementation of UN-Habitat's Medium-Term Strategic and Institutional Plan 2008-2013

Evaluation Report 1/2012

1. INTRODUCTION AND BACKGROUND

The Medium-Term Strategic and Institutional Plan (MTSIP) 2008-2013 was adopted by resolution 21/2 of April 2007 of the Governing Council. The plan was a response to an in-depth evaluation by the United Nations Office for Oversight Services (OIOS) calling on UN-Habitat to sharpen its programmatic focus and broaden its funding base. The overarching goal of the plan is "...to ensure an effective contribution to sustainable urbanisation".

It was developed with six mutually reinforcing focus areas:

- 1) *Effective advocacy, monitoring and partnership;*
- 2) *Urban planning, management and governance;*
- 3) *Access to land and housing for all;*
- 4) *Environmentally sound basic urban infrastructure and services;*
- 5) *Strengthening human settlements finance systems; and*
- 6) *Excellence in management.*

The MTSIP emphasizes delivery through an Enhanced Normative and Operational Framework (ENOF). Cross-cutting issues of disaster management, gender mainstreaming and urban youth are also to be implemented as part of ENOF. The MTSIP is implemented through biennium work programmes. The resource envelope for the three biennia of MTSIP were about USD 319 million (2008-2009), USD 357 million (2010-2011) and USD 393 million (2012-2013).

2. EVALUATION PROCESS AND METHODOLOGY

The purpose of the evaluation was to provide an independent assessment of: 1) the progress on achieving the MTSIP focus area results over the period

of 2008-2011; and 2) the efficiency and effectiveness with respect to the attainment of the key MTSIP objective. The evaluation was the second assessment of the MTSIP. The first assessment of the implementation of the MTSIP, Peer Review of the Implementation of UN-Habitat's Medium-Term Strategic and Institutional Plan, was carried out in 2009/2010.

The evaluation focused on progress in the implementation of the MTSIP. It assessed the accomplishments in each of the focus areas and identified issues needing more attention and improvement. It also pinpointed bottlenecks and constraints in the implementation of the Plan and the achievement of its objectives. Progress in the cross-cutting issues of disaster management, gender mainstreaming and urban youth was also addressed.

The Evaluation Team, comprised of two independent consultants, Mr. Don Okpala and Mr. Per Kirkemann, used the United Nations Evaluation Group's evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability to assess the MTSIP. The coherence dimension was also applied as assessment criteria. UN-Habitat's Monitoring and Evaluation Unit (now Evaluation Unit) was responsible for planning and managing the evaluation. UN-Habitat Headquarters, Regional Offices, and country offices participated in the evaluation through interviews and a country-level survey. Two countries, Colombia and Sri Lanka, were used as case studies for the evaluation. An extensive review was also carried out of all MTSIP and MTSIP-related documentation, including reports and previous evaluations of UN-Habitat programmes undertaken during the MTSIP period. The evaluation commenced in November 2011 and concluded in June 2012.

3. OVERALL FINDINGS

Although many of the administrative and organizational "quick wins" identified

in the MTSIP were achieved by the end of 2008, some turned out to take more time than expected. They remain work in progress, especially in critical areas such as delegation of authority and performance monitoring and reporting.

Focus Areas

- In Focus Area 1, Effective advocacy, monitoring and partnership, most targets were met with the exception of some related to strengthening of partnerships.
- The targets for Focus Area 2, Urban planning, management and governance, have been surpassed in terms of the quantitative indicators.
- Progress on Focus Area 3, Access to land and housing for all, towards all its expected accomplishments has been satisfactory. The evaluation highlighted the work done by the land management programmes.
- Progress in Focus Area 4, Environmentally sound urban basic infrastructure and services, was mixed. There was significant progress in the adoption by countries of new mechanisms to provide affordable infrastructure and services to the urban poor. But comprehensive surveys to measure impact were not undertaken due to resource constraints.
- The accomplishments expected for Focus Area 5, Strengthened human settlements finance systems, did not materialize. The two major activities under this focus area, the Slum Upgrading Facility (SUF) and the Experimental Reimbursable Seeding Operations (ERSO) were a new type of operation for UN-Habitat. Despite initial successes, SUF was discontinued in 2011 and it was recommended that ERSO be partnered with a development finance institution which could provide a better platform for its operations.
- In Focus Area 6, Excellence in management, progress has not been as expected. Monitoring still

TABLE 1.1: MTSIP Focus Areas and strategic results

Focus Area	Strategic result
1. Effective advocacy, monitoring, and partnership;	Improved sustainable urbanization policies from local to global level adopted
2. Participatory planning, management, and governance;	Inclusive urban planning, management and governance improved at national and local levels
3. Access to land and housing for all;	Improved access to land and housing
4. Environmentally sound basic urban infrastructure and services;	Expanded access to environmentally sound basic urban infrastructure services with a special focus on the unserved and under-served
5. Strengthening human settlements finance systems	Increased sustainable financing for affordable and social housing and infrastructure
6. Excellence in management.	UN-Habitat delivers MTSIP results effectively and efficiently

experiences problems due to lack of resources and difficulties in developing qualitative indicators; a problem not unique to UN-Habitat. The continuing decrease in core funding remains an obstacle to improvements in Focus Area 6 as it is dependent on non-earmarked contributions.

Cross-cutting Issues

- Regarding disaster management, UN-Habitat has become a member of the Inter-Agency Standing Committee (IASC), which has resulted in the improved visibility of UN-Habitat's technical capacity in the humanitarian field. Humanitarian financing for UN-Habitat field projects increased from USD 6.1 million in 2009 to USD 80.4 million in 2011. UN-Habitat needs to continue augmenting its technical human resources skills and competence for operating in complex urban context in order to ensure that its normative comparative advantage in this area is fully operationalized.
- Although gender was identified as a cross-cutting issue, it is not well articulated in the MTSIP and is emphasized only in a small number of activities such as the Safer Cities Programme under Focus Area 2 and the Global Land Tool Network in Focus Area 3. To rectify this shortcoming, UN-Habitat formulated a Gender Equality Action Plan (GEAP) in 2009; its implementation is on-going.
- The UN-Habitat Youth Programme and the associated Youth Fund have been able to launch a number of diverse and successful initiatives, but mainstreaming youth issues throughout the work of the agency is very challenging and requires broader donor support.

New Reform and Organizational Restructuring

- The organizational restructuring has focused more on the Headquarters and less on the regional and country offices. In January 2012, a new organizational structure was unveiled with seven thematic Branches, each of which focused on a substantive theme covered in the MTSIP. These themes are also the focus areas of the successor to the MTSIP, the Strategic Plan for 2014-2019.
- The conceptualization of the Strategic Plan 2014-2019 has resulted in a more distinct framework for the focus areas. The Strategic Plan corresponds well to what the UN-Habitat country teams consider as priorities.

4. CONCLUSIONS

Relevance

National and local stakeholders appreciate UN-Habitat's support on sustainable urbanization. UN-Habitat has contributed to the formulation of national urban policies, strategies, and development plans at both national and local levels. The relevance and catalytic effects of UN-Habitat's support increases when it is directed towards the needs as identified by national and local stakeholders, or is an integral part of the United Nations Development Assistance Framework (UNDAF)/Delivering as One.

Effectiveness

A large part of the immediate targets of the MTSIP have been partially achieved and are likely to be fully met by end of 2013. However, long-term development objectives were loosely formulated and

thus difficult to realize. The component of normative elements in country level projects appears well balanced with those of the operational elements.

Efficiency

Despite financial and human resources constraints, significant progress has been made in the implementation of most of the MTSIP focus areas but less than adequate resources were allocated to enable generation of required baseline data for monitoring. In countries where UN-Habitat has succeeded in a meaningful participation in the UNDAF process, more funding for UN-Habitat was accessed and synergies enhanced, which also resulted in increased visibility and voice of UN-Habitat.

Impact

MTSIP has already at this stage in the implementation impacted on the countries' policies, strategies, and capacity development. In some countries the urban development challenges have been incorporated into national development plans. Normative outcomes are likely to materialize further during 2012-2013.

Sustainability

Resource adequacy remains a daunting challenge. Development of systemic municipal sources, such as municipal taxes, property taxes and government subventions, would be more sustainable than current over-dependence on unpredictable donor funding for urban services financing. Impact evaluations at country level will be required to determine the degree of sustainability.

Coherence

In theory, there is good coherence between the six focus areas, but in practice the

potential coherence has been jeopardized by the inflexible cooperation between the divisions that continue to persist at Headquarters. Coherence between the Headquarters and regional/country offices is limited due to the imbalance in staff allocation. However, there seems to be good coherence between regional and country offices, and at country level.

5. MAIN LESSONS LEARNED

- The concept of ‘sustainable cities’ is not well defined—and yet it is flexible to capture current and future urban development trends. It will constitute the overall policy and strategic framework for the focus areas’ policy and strategic papers and ENOF. MTSIP policy and strategy papers of each focus area would have benefited from an overall policy that would have established a common framework.
- Lessons from country level activities could feed back into programme and policy formulation. Given the importance of operational activities to UN-Habitat’s overall budget their contribution to core funds through project overhead income, the regional and country-level technical cooperation offices would have to be sufficiently staffed and resourced to continue to generate both income and visibility for the organization as a whole. UN-Habitat’s work under the Delivering as One initiative has opportunities and challenges.
- At times of profound changes in programme and structure, transparent communications between management and staff and between headquarters and the field become imperative.
- Financial resource constraints affected the level of implementation of the MTSIP. In particular, expected core non-earmarked resources did not fully materialize. The medium term plans need to allow for setting realistic targets and allowing a flexible implementation process with reserve funds set aside to cater for unexpected demands, such as those that arise from humanitarian emergencies.

6. RECOMMENDATIONS

MTSIP strategic planning

- UN-Habitat should continue to

sharpen its focus, strengthen its strategic and results-based planning and implementation approach and ensure transparent and open consultations/involvement of branches, units and regional and country offices in programme formulation. The UNDAF/Delivering as One process should be strengthened and supported in countries with a good potential for UN-Habitat interventions.

- Not all indicators of achievement of the MTSIP proved to be practicable, primarily because of a lack of resources to track them. Those indicators that have proved to be impractical should be abandoned and replaced with new ones that can be monitored to measure progress.

Organization

- UN-Habitat senior management should closely review the new organizational structure launched in 2012 to assure its sustainability and substantive scope.
- The organizational review should redress the imbalance in staff and financial resources between Headquarters and regional and country offices and decentralize more authority to them so they are better able to formulate and implement their respective work programmes and mobilize resources for specific activities.
- Communications and coordination barriers within UN-Habitat need to be broken down and a new communications strategy implemented, ensuring that coordination among branches and units are institutionalized and not merely personalized, whether at headquarters, regional or country offices.

Resource mobilization

- Earmarked funding by donors for specific programmes and projects should be encouraged, but priority must be given to mobilize non-earmarked contributions.
- In middle-income countries, several countries and cities would have their own financial resources to support programmes, but would mainly require technical skills and expertise. UN-Habitat could invest in sourcing, mobilizing and recording a reservoir of technical expertise, which could be offered to assist countries and cities that required such skills.

Monitoring and progress reporting

- Country six-monthly progress reports should be prepared in summary format for those countries in which UN-Habitat is substantially engaged and using the Result Framework’s indicators of achievement in order to accumulate results at regional and country levels. The MTSIP progress reports (Headquarters) should primarily reflect on global and regional achievements and present feature stories based on the results in the countries that highlight urban trends and responses to urban development issues.
- Country level results and experience should be gathered and evaluated to feed into UN-Habitat’s policy and strategic development processes. A simplified system of country evaluations with limited resource requirements—to complement thematic evaluations—or rather focus area evaluations should be institutionalized.

Preparation of the Strategic Plan

- Prior to the implementation of the new Strategic Plan 2014-2019, an overarching paper that fully defines the sustainable cities concept should be prepared which would form the basis for policy papers for each of the Plan’s focus areas so as to assure policy coherence.
- The implementation of the Strategic Plan should draw on the experience and lessons learned from the MTSIP 2008-2013. Preparation of policy and strategy papers for the seven focus areas should be consistent with the sustainable cities concept and include further development of the ENOF concept. The Plan should ideally include differentiated strategies and programme options for different categories of countries and for cities of different sizes.

Project design and rationalization of the project portfolio.

- Projects should be formulated and implemented in accordance with the results-based management.
- A thorough review of the UN-Habitat’s programmes, tools and the project portfolio should be undertaken and subsequent adjustments of these to ensure a high degree of coherence of the portfolio with the focus areas.