Independent strategic evaluation of the performance and impact of the Habitat Programme Managers.

Executive Summary of the Evaluation Report

Note by the Executive Director

In its resolution 20/15, the Governing Council requested the Executive Director “to undertake an independent strategic evaluation of the performance and impact of the Habitat Programme managers (HPMs) before the end of 2006 and to report thereon to the Governing Council at its twenty-first session”.

The terms of reference of this evaluation were finalized by the Secretariat at the end of 2005, in consultation with the Committee of Permanent Representatives (CPR) to UN-HABITAT. The evaluation process started with a self-assessment by the HPMs themselves, followed by an overall assessment by UN-HABITAT headquarters, which was shared with the CPR in May 2006.

The external evaluation took place during June-October 2006. It included a desk review of all pertinent documentation, a number of structured interviews with resource persons and evaluation missions to eight developing countries where HPMs have been active for at least two years. This external evaluation was made possible thanks to a financial contribution from the Government of Sweden. The entire evaluation report is submitted to the Governing Council as HSP/GC/21/INF/3 while the present Executive Summary is submitted as HSP/GC/21/2/Add.8.

Notwithstanding the findings and recommendations of the independent strategic evaluation, which have been positively reviewed by the Secretariat, the Executive Director confirms that the budgetary allocation from the Foundation for Habitat Programme Managers is fully in line with the work-programme and budget for 2006-2007, as requested by the Governing Council in resolution 20/15.

The Executive Director wishes that the Governing Council could consider the recommendations made in the evaluation report with a view to mobilize more political and financial support to the HPM initiative, as a key element of the medium-term strategic and institutional plan of UN-HABITAT (see HSP/CG/21/5).
Executive Summary

Background and programme origin
This report describes the external evaluation of the performance and impact of UN-HABITAT Programme Managers (HPMs). The evaluation team has analysed the impact of HPMs in the countries where they have been deployed. This was done through:

a) a desk review of relevant documentation (including the Internal Evaluation report presented by UN-HABITAT to the CPR in May 2006, the self-assessment by the HPMs and the assessment by the Agency’s Regional Offices and selected UNDP field offices);
b) interviews with key resource persons from UN-HABITAT HQ and Regional Offices; and
c) evaluation missions to 8 countries (Colombia, Egypt, Mexico, Mozambique, Nigeria, the Philippines, Senegal and Sri Lanka).

The HPM Programme was initiated following the signing of a Memorandum of Understanding between UN-HABITAT and UNDP in October 2002 committing to establish the positions of (HPMs) in selected developing countries, with a focus on Least Developed Countries (LDCs), for the purpose of promoting the implementation of the Agency’s mandate and of strengthening inter-agency co-ordination at country level. The first HPM positions were established in 2003, after which the programme grew rapidly in 2004-05 up to its current strength of 36 HPMs, of which 22 in Sub-Saharan Africa, 4 in the Arab States, 6 in Latin America and the Caribbean, and 4 in Asia and the Pacific.

The main reason for UN-HABITAT to launch the HPM programme was to reduce the serious constraint in implementing its mandate resulting from its lack of an in-country substantive presence. The report briefly reviews how the HPM programme appears as fully congruent with the Agency’s mandate, as defined by the UN General Assembly (GA) in 1977 (establishment of UNCHS-Habitat as part of the UN Secretariat), further strengthened by the GA in 2002 (transforming UNCHS into a UN programme as UN-HABITAT) and in line with the focus on in-country support in the ongoing UN reform process.

Scope of the report
In accordance with the Terms of Reference for the evaluation the report assesses the performance, effectiveness, value added and impact of the HPM instrument in furthering UN-HABITAT’s original mandate in its two dimensions, normative and operational. More specifically, it analyses to what extent HPMs’ deployment has helped in:

a) integrating human settlements issues in key multilateral programming instruments for national development;
b) promoting the global and normative mandate of UN-HABITAT;
c) supporting UN-HABITAT’s operational activities; and
d) addressing cross-cutting issues common to the above.

The report also reviews financial and administrative issues of the HPM programme and their impact on its efficiency.

The external evaluation was meant to be a forward-looking lesson-learning exercise and, as such, yield findings, which may be considered in the decision-making process by UN-HABITAT and UNDP, UN-HABITAT’s Governing bodies (CPR and GC) and other stakeholders. The final
section of the report therefore contains a summary of the main conclusions and recommendations.

**Findings and lessons learnt**

**General appreciation:** Along all the above-mentioned dimensions, the evaluation team’s assessment is positive, highlighting the net benefits accrued to UN-HABITAT, its national partners and the UN system at the country level through the HPM’s deployment. It notes how the HPM instrument has significantly reduced UN-HABITAT’s earlier structural disadvantage inherent in not having in-country representation. It further notes how the critical development issues under UN-HABITAT’s mandate have acquired higher visibility and more adequate reflection in national and multilateral agendas and how the Agency’s ability to positively impact at the country level has been enhanced both normatively and operationally. It also highlights a set of relative weaknesses and constraints, which need addressing as part of programme extension. The following sections summarize the evaluation’s findings for each of the key issues examined.

**Integrating shelter and urban poverty issues into multilateral programming instruments:** The evaluation team has found that HPMs’ deployment has led to multilateral programming instruments reflecting in a much more coherent and structured way key urban development issues which, prior to HPMs’ deployment, were often sidelined or fragmented. The evaluation team reviewed the HPM participation in formulating these instruments, including the Common Country Assessments (CCAs), the United Nations Development Assistance Frameworks (UNDAFs) and the National Poverty Reduction Strategy Papers (PRSPs). The evaluation team found that, in most cases, HPM participation has given an enhanced profile to UN-HABITAT’s thematic areas. Most HPMs have been fully integrated in the inter-agency Task Forces charged with their formulation. This substantive addition is appreciated by UN Resident Co-ordinators and national sectoral agencies alike. HPMs’ co-location with UNDP has positively contributed to their ability to participate fully, as integral part of the UN network, in the programming exercises. In several countries reviewed, this contribution has demonstrably provided the basis for future programme development (and resource allocation) in areas of UN-HABITAT’s key priorities, as well as for inter-agency co-operation.

**Promoting the global and normative mandate of UN-HABITAT:** Promoting the normative mandate of UN-HABITAT at country level implies for HPMs the ability to become an efficient vehicle for the large number of global UN-HABITAT programmes and to be able to mainstream them and co-ordinate them. In all countries reviewed, several global programmes have invested in activities and made use of the HPMs (often contributing to meeting their cost) for a variety of tasks. These include the Global Campaigns (Urban Governance and Secure Tenure), the Global Urban Observatory, the Urban Management Programme, the Sustainable Cities/LA21, the Slum Upgrading Facility, the Water and Sanitation Programme, and the Safer Cities Programme. The evaluation team finds that the HPMs’ presence has been instrumental in facilitating global programmes’ introduction to the country level, in increasing their presence and activities, and in providing supervision and co-ordination. Given the large number of global programmes, many HPMs have experienced problems in handling multiple requests and demands on their time, also because of insufficient information on the specificity of each programme. However, in spite of such teething problems, activities around global programmes have set the basis for useful
linkages between normative and operational dimensions, and between UN-HABITAT’s Global Division and its Regional Offices (ROs).

**Supporting UN-HABITAT’s operational activities:** HPMs’ progress in developing an operational projects’ portfolio has been relatively slow. However, this is understandable for the following reasons:

a) need to first build a normative constituency in programming instruments and among donors;  
b) the need to acquire specific project formulation skills; and  
c) insufficient project development related training of HPMs at inception.

Within these limitations the contribution of HPMs in enhancing the Agency’s project portfolio has been recognised by the internal UN-HABITAT’s evaluation in at least 15 countries. The external evaluation team has noted meaningful achievements in all eight countries visited. The HPM instrument has been beneficial in terms of strengthening the basis for operational projects. The Regional Office for Latin America and the Caribbean (ROLAC) and of Asia and the Pacific (ROAP) have requested the deployment of additional HPMs in their regions; the Regional Office for Africa and Arab States (ROAAS), with 26 HPMs to supervise, experienced heavy staff constraints. However, the importance of deploying HPMs is especially significant for operational activities, given the essential need to establish proximity with national partners and donors in project formulation and negotiation.

**Cross-cutting issues:** In its analysis of HPMs’ work, the evaluation team notes that a strict distinction between normative and operational functions is not functional. Some of the most important successes have been achieved by HPMs where the development of operational projects had been guided coherently by prior normative advocacy (i.e. thematic integration in programming instruments) and substantive support to UN-HABITAT’s global programmes. These have often been instrumental in leading to operational project opportunities, several of which are backstopped by their staff at HQ in close collaboration with the relevant ROs. HPMs have stimulated co-operation among global programmes, and between them and ROs (and their operational projects) by forming a single reference point for all at national level. This has also had major beneficial effects for national institutions, which now find it easier to relate to the broad range of UN-HABITAT programme activities. In all eight countries reviewed in detail there is now scope for UN-HABITAT, based on the HPMs’ groundwork, to better define its strategy for each country, as a collective effort between national sector agencies, ROs and global programmes, clearly determining its goals and providing a coherent work plan for HPMs, blending normative and operational functions.

**Programme funding:** The HPM programme has a current yearly cost to UN-HABITAT of $1.65 million (covering salaries and a modest - inadequate in the evaluation team’s view - operating budget), primarily financed by the Agency’s core resources (HS Foundation) given HPMs’ predominantly normative character, and also through global programmes and overhead resources generated by project implementation. Several promising examples of cash cost-sharing (from Governments and UNDP country offices) have been noted and may hopefully become more significant. UNDP offices have generally provided in-kind support (office space, utilities, support staff, equipment, transport), sometimes free of charge, sometimes at a fee for services, which has facilitated HPMs to operate. Global programmes’ contributions to HPMs’ salaries and operating costs have been made in recognition of resulting cost savings to those programmes in
terms of HQ’s missions and recruitment of consultants. The same applies to HPMs’ services to ROs in the formulation/backstopping of project activities. When these savings are factored in, the resulting net cost to the agency is considerably reduced and, in the view of the evaluation team, fully justified in terms of its increased ability to fulfil its mandate in a large number of countries.

Summary of main conclusions

• The evaluation team has an overall positive appreciation of the HPM programme, as it has significantly enhanced UN-HABITAT’s ability to perform its mandate at country level in support of Governments and the UN system. This has been possible by establishing a substantive presence at national level at a comparatively limited cost per country. An increased potential exists now in most countries to expand on-going activities into a broader, more significant country programme.

• This potential could be more successfully tapped if deployment of HPMs was be followed by consistent strategic programming effort by UN-HABITAT. The evaluation team found that the initial generic ToR for HPMs could not reflect the specificity of national situations and hence adequately define strategic goals for the agency in the country concerned. A consolidated programming effort at country level, based upon past and current normative and operational work, and defining strategic goals and expected results, will better address national priorities for UN-HABITAT, and will enable the HPM to operate within a clear planning framework.

• Several constraints and inadequacies impinge on HPMs’ effectiveness, namely:
  i) inadequate operating budget: the annual amount ($5,000) provided for this by UN-HABITAT is insufficient. While in a number of cases HPMs have successfully been able to augment this by national partners’ cash/in kind cost-sharing, many HPMs still suffer serious financial limitations in operational terms;
  ii) insufficient training: HPMs have received induction training, but this has inadequately covered the full range of skills and information required, especially in crucial areas like project development and management;
  iii) unequally distributed responsibility for HPM backstopping: ROs have been logically mandated to supervise HPMs; but this has generated a serious capacity constraint in ROAAS (which covers 26 out 36 HPMs).

• In terms of funding arrangements, the evaluation team endorses the GC decisions reflected in Resolution 20/15 and in the approved UN-HABITAT Work Programme and Budget for 2006-07 that the HPM programme, given its pre-eminently normative character, should primarily be financed through general purpose HS Foundation resources. The current allocation is sufficient to cover a significant critical mass of HPMs. Promising examples in terms of partners’ cost-sharing provide a positive potential to be further explored. Global programmes and operational projects have shared significantly to support HPMs’ cost, but formulas for their contributions need to be more transparently and systematically defined as part of an agency-wide strategic programming exercise for each country. UNDP has generally been helpful in providing office space and support services, some times as an in-kind contribution, sometimes on the basis of fees for services.

• Regarding country selection and future programme expansion, the evaluation team finds that selection of countries for HPM deployment has not always been based upon an analysis of ‘value’ in terms of scope for bringing about policy change and for developing operational
programmes. This needs to be addressed in future programme development. The need to reduce the current geographical imbalance has also been noted. The introduction of country programme documents clearly defining scope of work and planned results can also form the basis for an exit strategy from countries where results fail to materialise.

- The evaluation team concludes that, while meaningful gains have been achieved already, it is essential to see HPMs as a long-term investment for UN-HABITAT, in recognition of the complex and lengthy process inherent in establishing national constituencies, promoting normative work and building an operational portfolio of activities.

Principal recommendations
The following summarizes the evaluation team’s principal recommendations:

- **The HPM programme should be continued.** In order to enhance its effectiveness, the early formulation of multi-year country programme documents is recommended for all countries and should be made mandatory in those where HPMs have been deployed already for two years. These country programme documents should express an inter-divisional common strategy, comprising both normative and operational activities, in co-ordination with national partners, and indicate strategic objectives and expected results, as well as a budget and financing plan reflecting approved and potential (hard pipeline) sources of funds.

- **The identification of additional countries for HPM deployment** should be based on an assessment of comparative ‘value’ expressed through the perceived potential for policy change, Government commitment and scope for operational programme development. New deployment should be carried out also with a view to reducing the current regional imbalance.

- **More systematic and comprehensive training support** should be imparted to HPMs, i.a. introducing modules on project development and management. **HPM supervision** should continue to be led by ROs, but a greater supporting role by global programmes should be introduced in countries where they are active.

- **The HPM programme should continue to be funded primarily through HS Foundation general purpose allocations**, given the pre-eminent normative significance of HPMs. To lessen recurrent costs on the Foundation, continuing efforts should be made to enhance parallel funding mechanisms like national partners’ and UNDP cost-sharing, contributions by global programmes (which ought to be made more systematic and transparent), and support from operational projects’ budget lines.

- **The recommended country programme documents should be the basis (after careful impact assessment and a yearly rolling review)** for determining UN-HABITAT’s exit strategy from countries where results may have failed to materialise, as per the defined strategic objectives.

- **The MoU with UNDP should be reviewed and extended** as a political instrument to facilitate new co-operation and cost-sharing agreements with UNDP country offices.