

# ASSESSMENT

“EXCELLENCE IN MANAGEMENT”

PROGRAMME AGREEMENT  
BETWEEN  
UN-HABITAT AND NORWAY 2008-2009

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## *Acronyms*

CCCI	Cities and Climate Change Initiative
CNN	Carbon Neutral Network
ED	Executive Director
ENOF	Enhanced Normative and Operational Framework
GC	Governing Council
HCPD	Habitat Country Programme Documents
HCPD	Habitat Country Programme Document
HPM	Habitat Programme Manager
KM	Knowledge Management
MDG	Millennium Development Goals
MTSIP	Mid-term Strategic and Institutional Plan
OIOS	Office of Internal Oversight Services
RBM	Results Based Management
SUD Net	Sustainable Urban Development Network
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNON	United Nations Office in Nairobi
WUF	World Urban Forum

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## CHAPTER 1: INTRODUCTION

### 1.1. *Background and Purpose*

The Programme Cooperation Agreement between the Government of Norway and UN-HABITAT 2008-2009 provides financial support (NOK 130 Mill) for seven thematic areas. In the consultations April 2008, it was agreed to undertake an assessment after one year of the results achieved in Focus Area 6: Excellence in Management.

The assessment should be based on the expected accomplishments outlined in the paper “Expected outcomes of activities under Excellence in Management by 1 May 2009” and the Logical Framework Analysis included in the Programme Agreement Document.

According to Terms of Reference, the objective is to assess to what extent a solid foundation for the roll out phase of the Mid-Term Strategic and Institutional Plan (MTSIP) has been established and the preconditions for a transformation process has been put in place in line with the priorities set by its governing body.<sup>1</sup>

### 1.2. *Scope and Questions*

The overall goal of focus area 6: “Excellence in Management” is to improve the institutional performance of UN-HABITAT in order to achieve a more efficient and effective delivery of its mandate. The questions from the Terms of Reference are organised according to the four pillars in the Programme Agreement with Norway:

#### *Enhanced Normative and Operational Framework (ENOF)*

- To what extent has the Enhanced Normative and Operational Framework been applied at country level?
- Has it contributed to the “One UN concept”?
- Are Concept and Strategy papers for the Global Campaign on Sustainable Urbanisation been successfully drafted and formulated with external partners?
- Are Concept and Strategy papers for three out of the five thematic focus areas prepared?

#### *Results Based Management (RBM):*

- Are RBM guiding principles and benchmarking in place?

#### *Resource Mobilisation and Donor Confidence:*

- Has UN-HABITAT built donor confidence to secure increased level of funding?
- What are the trends in level and mode of donor funding?
- Has a branding and fund raising strategy been adopted and implemented?

#### *Institutional and Administrative Processes:*

- Is a strengthened Programme Review Committee in place?
- Have proposals for intra-divisional restructuring been adopted and implemented?
- Have proposals for more transparent and participatory budgeting processes been approved?
- Have new job profiles been defined and new MTSIP compliant job descriptions been adopted for recruitment/replacement for 2009/2011?

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<sup>1</sup> See Annex 1: Terms of Reference

- Have proposals been tabled for greater delegation of authority to the divisional level accompanied by greater measures and instruments of accountability?
- Are work flows effectively streamlined leading to reduced time for project approvals, revisions and other procedures?
- Have UN-HABITAT staff been engaged in formulating and implementing new policies and strategies designed to enhance the MTSIP?
- How do staff perceive and assess the reform process?

#### *Other issues*

In addition, two other issues should be assessed briefly:

- The relationships between Focus Area 4 “Cities and Climate Change” and existing programmes such as “localising Agenda 21”, “Sustainable Cities Network” and UNEP’s work on cities and climate change.
- The relevance of the Flex fund – the fifth component funded by Norway providing support to activities in the work programme which fail to attract sufficient earmarked funding.

### *1.3. Methods and Limitations*

The review has used two methods for collecting data and information: document analysis and interviews. The consultant reviewed relevant documents related to the cooperation between Norway and UN-HABITAT, like strategies and concept papers, progress reports and evaluations, etc.<sup>2</sup> Interviews have been conducted with the Ministries of Foreign Affairs and Local Government in Norway. During a four day visit to Nairobi, a broad range of UN-HABITAT staff members and representatives from Embassies and the Committee of Permanent Representatives (CPR) were interviewed<sup>3</sup>.

The assessment starts by describing, as accurately as possible, what has been achieved during the start-up phase and determine whether the “quick wins” and “must dos” have been accomplished. The description is followed by an analysis and assessment of the extent to which the various initiatives are relevant and likely to contribute to the implementation of MTSIP. Finally, the report seeks to identify critical factors in the reform process and suggest how Norway could further support MTSIP.

The assessment has its limitations:

- It is a rapid assessment limited to 14 working days and only four days of interviews in Nairobi. The MTSIP is a large reform programme and Excellence in Management a key and complex component. Subsequently, the report may not be able to paint a sufficiently comprehensive and nuanced picture of all intentions and not least realities.
- The MTSIP has lasted for less than a year. The stock taking covers implementation of activities and delivery of outputs from the relatively short start-up phase. Relevance and importance are discussed, but it is premature to do a full assessment of results. Another type of study would also have been required to collect such data and information.
- The MTSIP has some long term goals, like becoming the premier reference institution for global research, monitoring and dissemination of information, the first stop for pro-poor urban development policy and a “center of excellence” in building the capacity of governments, local authorities, etc. It is obvious that such criteria are not relevant for this assessment.

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<sup>2</sup> See Annex 2: References

<sup>3</sup> See Annex 3: People Met

- The assessment is to a large extent depending on staff and partner perceptions. There is always a subjective and possibly skewed perspective in such perceptions and the consultant may not have been able to cross check all information and opinions.

#### *1.4. Guide to the Reader*

Chapter 2 provides an overview of the reform process – MTSIP documents and the programme agreement between UN-HABITAT and Norway. Chapter 3 provides first a brief summary of achievements followed by a description and analysis of each of the components supported by Norway. The last and fourth chapter presents the main conclusions and offers also a number of recommendations first to Norway and then to UN-HABITAT. Terms of Reference, list of people met and references are to be found in the annexes.

## CHAPTER 2: CONTEXT OF MTSIP REFORM

### 2.1. Overview of the Reform Process

The starting point for the current reform process can be traced to 2004, when the UN Office of Internal Oversight Services (OIOS) conducted an in-depth evaluation of UN-HABITAT which called for the sharpening of its programmatic focus and the broadening of its funding base. The evaluation stated that:

*“Given its very broad mandate and the very limited scale of its available resources, UN-HABITAT should identify a few critical areas of its mandate on which to focus in order to have the greatest impact within the constraints imposed by its approved work programme.....”.*

The Governing Council subsequently endorsed the recommendations in May 2005, and requested the Executive Director to:

*“develop a six-year medium-term strategic and institutional plan, including the clear implications for the organisational structure, financial and human resources....., at the global, regional and country level, taking into account wider United Nations reform processes”.*

The MTSIP was followed by an Action Plan providing a more detailed roadmap for implementing the plan. It includes information regarding priorities, verifiable indicators and targets, phasing and sequencing and cost estimates. A Steering Group was established together with four task teams to guide and manage the process of implementation.

### 2.2. Mid Term Strategic and Institutional Plan

The MTSIP was approved by the Governing Council in April 2007 as a strategy for the period 2008 to 2013. The overarching goal of UN-HABITAT is “to ensure an effective contribution to sustainable urbanisation”.<sup>4</sup> The vision is to help create by 2013 the necessary conditions for concerted international and national efforts to stabilise the growth of slums and to set the stage for a subsequent reduction in and reversal of the number of slum dwellers.

The overall aim is to establish a sharper and clearer strategic focus and a more efficient and effective organisation. UN-HABITAT will concentrate on six areas to support and add value to international and national efforts:

- (a) Advocacy, monitoring and partnership
- (b) Participatory urban planning, management and governance
- (c) Pro-poor land and housing
- (d) Environmentally sound and affordable basic infrastructure and services
- (e) Strengthening human settlements finance systems
- (f) Excellence in management

This assessment is focusing on area (f): Excellence in Management.

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<sup>4</sup> Despite its importance – MTSIP is difficult to find on UN-HABITAT’s website. It is available under background papers for the Governing Council meeting April 2007.

A central objective of the Plan was to strengthen UN-HABITAT's catalytic role through partnerships and networking. At the global level, partnerships should be strengthened and expanded with UN bodies, international financial institutions and HABITAT agenda partners. At the country level, the objective was to demonstrate the benefits of improved policies, strategies and approaches to slum upgrading and prevention and to mobilise international and domestic investments.

The additional financial resources approved required for MTSIP implementation in the 2008-2009 biennium amounted to US\$ 15 million. In terms of human resources, the additional capacity required was 18 professional staff and six general service staff. The funding of these posts would be drawn from the US\$ 15 million. Out of the 24 posts five are filled and 14 under recruitment. Recruitment of the remaining six staff cannot be initiated until there is predictable funding for the minimum contractual period of two years.

### **MTSIP Institutional Plan**

The institutional component seeks to introduce improvements in administrative and organisational systems and procedures, establish results based management and build a strong corporate culture. Improvements have been placed in three categories: "quick-fix" changes that can be implemented by UNHABITAT alone, medium-term changes that require a combination of external expertise, training and re-tooling and changes that depend on system-wide reform as well as other partners.

### *2.3. Programme Cooperation Agreement Norway – UN-HABITAT*

The Programme Cooperation Agreement for 2008-2009 refers to and builds on the Framework Agreement between the Government of Norway and UN-HABITAT signed October 2004. Total support for the previous biennium was 100 Mill NOK – an amount which increased to 130 Mill NOK for the current biennium mainly because of the introduction of the new Cities and Climate Change Initiative and the Excellence in Management programme. According to the Agreement, Norway will provide support to seven priority areas:

*Table 1: Norwegian Funding to UN-HABITAT 2008-2009 in Mill NOK<sup>5</sup>*

<b>Programme Areas</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
1. Excellence in Management	17	14	31
2. Water and Sanitation Trust Fund	15	14	29
3. Youth Empowerment for Urban Development	10	16	26
4. Cities and Climate Change Initiative	10	12	22
5. Gender Equality Programme	4	6	10
6. The Global Land Tool Network	6	6	12
7. The Slum Upgrading Facility	0	0	0
Total	62	68	130

### **Focus Area 1: Excellence in Management**

A major concern from most donors has been to improve UN-HABITAT's institutional performance. The Norwegian Government's rationale for supporting the new management component was to provide flexible support to activities for which limited resources were available.

The implementation of Excellence in Management is designed to have significant impact on the management, corporate culture, institutional efficiency and effectiveness of UN-

<sup>5</sup> These are programme areas according to Norwegian internal definitions and not UNHABITAT's own.



HABITAT. RBM should enhance the organisation's accountability. A strengthened Programme Review Committee should facilitate better monitoring and evaluation, promote alignment and cohesion between programmes and divisions within the organisation.

Excellence in Management consists of four inter-linked areas:

- *The Enhanced Normative and Operational Framework* for country level activities. This is meant to have a major impact on programme cohesion and alignment and effectiveness of UN-HABITAT's support to member states.
- *Resource Mobilisation* in order to consolidate and broaden the existing donor base and secure more predictable multi-year funding.
- *Results-based Management* including strengthened monitoring and evaluation, improved accountability and results based monitoring and reporting.
- *Human Resources Management and Administration* in order to better align staff competencies with programme priorities, improve efficiency, transparency and delegation of authority.

For each of the above, a set of "quick wins" and "must dos" were identified for immediate attention and action. The strategy was to (a) put in place the key policies, institutional tools and system improvements during 2008, (b) initiate roll-out in 2009 and 2010, before (c) scaling up in 2011-2013. The expected objectives, expected results and key activities were formulated as follows in the programme document:

*Table 2: Excellence in Management Framework*

<b>Objective 1: Normative and Operational Framework</b>	
Result 1: Global Campaign for Sustainable Urbanisation	(a) Develop Campaign Concept Paper (b) Ensure broad based ownership (c) Launch campaign in four countries
Results 2: Policy papers for each of the thematic focus areas	(a) Preparation of five policy papers and corresponding work plans (b) Implement first-phase changes to ensure programme alignment and cohesion
Result 3: Integrated programme of normative and operational activities in twenty countries	(a) Support to regional offices to engage UNCTs within the UNDAF process to launch and begin implementation of Habitat Country Programme Documents in six countries (b) Support rapid response capacity in implementing Strategic Policy on Human Settlements and Crisis in at least two countries
Result 4: HABITAT Agenda Task Monitoring system developed and implemented	(a) Partnership strategy and monitoring system developed (b) Launching and implementation of partnership strategy and monitoring system
Result 5: Evaluate impact in view of identifying priorities for the roll out phase of the MTSIP Action Plan 2009-2010	Not elaborated.
<b>Objective 2: Results Based Management and Knowledge Management</b>	
Result 1: Establish policy and strategy for RBM and KM	(a) Set up guiding principles and prepare strategy for implementation (b) Develop templates and reporting procedures
Result 2: Create guidelines, benchmarks and SMART indicators for RBM and KM	(a) Introduce RBM and KM principles through training courses (b) Prepare procedures for Programme Review Committee in order to integrate RBM and KM principles
Result 3: Implement monitoring of RBM and KM on continuous basis	(a) Initiate staff training and implement M&E for selected activities at global and country level
Result 4: Evaluate results to determine priorities for the roll-out phase of the MTSIP Action Plan 2009-2010	

Result 5: Improve organisational performance and accountability through strengthened M&E	(a) Establish an integrated M&E system to ensure accurate and timely evaluation. (b) Upgrade the skills of a critical number of senior managers (c) Evaluate impact and determine further priorities for the roll out phase
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<b>Objective 3: Resource Mobilisation</b>	
Result 1: Establish a resource mobilisation unit	(a) Resource Mobilisation Unit established.
Result 2: Prepare and service donors'/partners' consultations in 2008 and 2009	Not elaborated.
<b>Objective 4: Realign human resources, managerial and administrative systems to effectively implement the MTSIP</b>	
Result 1: Align job profiling/job descriptions and staff training with MTSIP	(a) Undertake job profiling for senior managers (b) Revise job descriptions for posts of departing staff (c) Undertake training needs assessment
Result 2: Efficient administrative services and processes	(a) Review procurement, recruitment, travel and project management processes (b) Engage UNON in reviewing and finalising strategic intervention plan and benchmarks for enhanced accountability and efficiency, and initiate delegation of authority
<b>Objective 5: Establish a Flex-fund to enable the funding of priority activities in the 2008-2009 Work Programme which fail to attract sufficient earmarked funding</b>	

The expected outcomes by May 2009 were identified by UN-HABITAT as follows:

*Institutional outcomes:*

- A strengthened Programme Review Committee with revised procedures and criteria.
- A branding and fund raising strategy adopted and implemented.
- Proposals for intra-divisional restructuring in line with MTSIP approved and presented to the CPR.
- Proposals for more transparent and participatory budgeting process approved.
- New job profiles defined and MTSIP compliant job descriptions adopted for recruitment/replacement for 2009-2011.
- Proposal tabled for greater delegation of authority to the divisional level accompanied by greater measures and instruments of accountability.
- RBM guiding principles and benchmarking in place and further refinements being carried out to M&E processes.

*Substantive outcomes:*

- Successful completion and presentation of Country Programme Documents.
- Concept paper and strategy of the Global Campaign on Sustainable Urbanisation successfully drafted and formulated in collaboration with external partners.
- Concept papers and strategies for three out of the five thematic focus areas successfully drafted and formulated with external partners.
- Streamlined workflows and effective reduction in time required for project approvals, project revisions and other procedures.
- Improved engagement of UN-HABITAT staff in formulating and implementing new policies and strategies.

## CHAPTER 3: PROGRESS AND ACHIEVEMENTS

### 3.1. Summary Achievements

According to the report from the Executive Director on the implementation of MTSIP to the Governing Council in February 2009, significant progress had been made. Five of the “quick wins” were fully implemented, four were satisfactory and only three areas required more work (improving the Programme Review Committee, delegation of authority and intra-divisional restructuring). The development of a results framework is mentioned as the highlight of the reporting period. This framework articulates strategic results and expected accomplishments and indicators for each focus area up to 2013. The enhanced normative and operational framework is said to be an effective instrument in mainstreaming the HABITAT agenda at the country level. UN-HABITAT has further made significant progress in streamlining business processes and aligning human resources to the new plan. In summary, implementation of the medium-term strategic and institutional plan is “firmly entrenched in the work of UN-HABITAT”. While much remains to be done to improve business practices and to change the culture of UN-HABITAT, its staff is said to be committed to change.

The following provides a brief summary of achievements in each of the areas using the suggested indicators and targets for progress by April 2008. More information is included in the subsequent chapters followed by an overall assessment.

*Table 3: Indicators and Achievements for Objectives and Work Areas*

AREAS AND INDICATORS	ACHIEVEMENTS
<b>1. Enhanced normative and operational framework</b>	<b>Satisfactory progress</b>
HCPDs prepared for 25 countries.	HCPDs prepared for 33 countries including in six delivering as one UN pilot countries.
Concept paper and strategy of the Global Campaign on Sustainable Urbanisation prepared.	Draft Campaign strategy prepared.
Concept papers and strategies for three out of the five thematic focus areas prepared.	Eight concept papers presented during WUF 4. Policy papers for all focus areas drafted.
<b>2. Results based management</b>	<b>Satisfactory progress</b>
RBM guiding principles and benchmarking in place and further refinements being carried out to M&E processes.	Overall RBM framework developed and results indicators for all focus areas. New M&E guidelines under preparation.
<b>3. Resource mobilisation</b>	<b>Unsatisfactory progress</b>
Branding and fund raising strategy adopted and implemented.	Resource mobilisation unit partly established. Brief strategy paper prepared. New branding launched and being implemented.
<b>4. Institutional and administrative processes</b>	<b>Mixed progress</b>
Programme Review Committee	Slow progress: Regional PRC's established. Role of global PRC under discussion. Decision on revised PRCs structure made by senior management Awaiting final decisions on composition of Committees and delegation of authority
Recruitment: Job profiles and descriptions	Progress: All new recruitments aligned to MTSIP.

Delegation of authority	Slow progress: New thresholds agreed for financial authority. Draft accountability framework prepared.
Intra-divisional restructuring	Slow progress: Draft proposal for first phase organisational restructuring.
Transparent and participatory work processes	Perceived incremental improvements: Inter and intra-divisional consultations preparing 2010-2011 strategic framework and WP and budget. All decisions made available of MTSIP steering committee on intranet.
Streamlining of work flows	Slow progress.
<b>5. Staff engagement and response</b>	<b>Signs of progress</b>
Improved engagement of UN-HABITAT staff in formulating and implementing new policies and strategies.	Indication of improved engagement. Staff survey instrument under development.
<b>6. Flex Fund</b>	<b>Insufficient information to assess progress</b>
No indicators	

The following chapters look at each of the areas more in detail and starts by listing achievements for all the indicators. Information on achievements is based on available reports and staff interviews and validity and reliability is checked and verified to the extent possible. The table is followed by preliminary analysis and assessment of progress, relevance and likely importance for effective MTSIP implementation. Relevant issues and challenges are identified in several of the focus areas.

### 3.2. Enhanced Normative and Operational Framework

Indicators	Achievements
<ul style="list-style-type: none"> <li>- Completion and presentation of Country Programme Documents.</li> <li>- Concept paper and strategy of the Global Campaign on Sustainable Urbanisation drafted and formulated in collaboration with external partners.</li> <li>- Concept papers and strategies for three out of the five thematic focus areas successfully drafted and formulated with external partners.</li> </ul>	<ul style="list-style-type: none"> <li>- 33 HSPDs prepared and approved by respective governments.</li> <li>- Habitat Programme Managers trained for roll out of country plans.</li> <li>- Draft strategy paper discussed with experts and partners.</li> <li>- Papers prepared for five focus areas.</li> <li>- Results frameworks prepared for all focus areas.</li> </ul>

#### Country Programme Documents and UN Delivering as One

The Country Programme Documents are meant to promote alignment of normative and operational activities, strengthen engagement with national governments, UN country teams and UNDAF processes and mobilise partners and resources.

It is a commendable achievement that 33 country programme documents have been prepared. For the first time information about UN-HABITAT's country activities, future vision, objectives and plans at country level is available in one document. Most of the documents are not yet perfect, but a foundation has been laid for sharing of information, a better understanding of UN-HABITAT among external partners and for resource mobilisation.

The plans are still quite generic. A team in the Regional and Technical Cooperation Division has steered and been actively involved in the writing process and at times compensated for lack of country involvement. There are so far hardly any secured funds in the country programme budgets. Integration with other UN organisations and joint UN planning processes is uneven. On the other hand, all the documents are reviewed and endorsed by the respective national governments. The UN-HABITAT country manager and national stakeholders have been involved in the preparation process – although the level of involvement has varied. The enhanced normative and operational framework is emphasised as a basis in all the country programmes. It has not been possible to trace to what extent the UN-HABITAT agenda is reflected in UNDAF documents more than before, whether UN-HABITAT Programme Managers are members of UN country teams, etc., but there is evidence of coordination and alignment in all the four countries in Africa being part of the UN Delivering as One Initiative (Mozambique, Tanzania, Rwanda and Cap Verde) and two in Asia (Vietnam and Pakistan). In Mozambique and Rwanda, UN-HABITAT is receiving multi-year core funding through "One UN" Funds. In the country programme document from Mozambique, it is mentioned that UNDAF has four pillars – governance, human capital, HIV/AIDS and economic development and the latter pillar covers support to the government's Housing Policy and the Cities Development Strategy.<sup>6</sup>

A major future challenge is the low level of funding of most country programmes and activities. It is unlikely that countries will maintain their interest, if most budgets remain miniscule. It is also important for UN-HABITAT to decide how country focused the organisation should/can become versus how much UN-HABITAT will operate from and create results from the center.

#### **Country examples from Mozambique and Rwanda**

During the preparation of the Mozambique Habitat Country Programme Document, the Habitat Programme Manager was in regular contact with authorities including the Ministry of State Administration, Ministry of Planning and Development, Provincial Government and civil society. The HPM was directly involved in preparation of the National Housing Policy and UNDAF, formulation of the national plan to reduce extreme poverty in Mozambique (PARPA II), and the development of the UN Delivery as One framework. As this information was available to the HPM, the HCPD was prepared mostly through a desk review process. The document was finalized through a series of participatory meetings following the compilation of the document. A meeting was held with the UN Country Team members and other institutional partners, including the Research Center for Habitat Development (CEDH), Faculty of Architecture, Eduardo Mondlane University to finalize the contents of the document. After this in-country process, the document was sent to HQ in Nairobi for review and feedback.

In Rwanda, the Ministry of Infrastructure directly contributed to the preparation of the document. The government ensured that the focus areas of the UNDAF, Rwanda Vision 2020, the Common Operational Document, the Economic Development and Poverty Reduction Strategy were taken into account in the HCPD. The Habitat Programme Manager held meetings with the UNCT and ministry officials when preparing the document to achieve consensus. Under the Ministry of Finance and Economic Planning, the HCPD passed through the One UN Steering Committee to ensure that the four 'Ones' are incorporated in the document: One programme, one budgetary framework, one leader and one office. The Ministry of Finance and Economic Planning will also be responsible for ensuring that the activities carried out in the implementation of the HCPD will collaborate with other UN agencies.

<sup>6</sup> Since 2005, UN-HABITAT has taken part in the preparation of all UN programming instruments and more recently the "Delivery as One" Joint programmes and operational plan (HCPD Mozambique, p. 27).

### Global Campaign for Sustainable Urbanisation

The purpose of preparing a concept paper for the global campaign is to strengthen advocacy and integration between global and regional activities, provide a platform for partners and to improve resource mobilisation. An “Initial concept and strategy paper” has been prepared (dated January 2009) as a basis for further discussion. It is basically a tool with ideas for brainstorming. The level of discussion has so far been limited, but extensive consultations with partners are expected later in 2009. An evaluation of previous Campaigns found that they had been successful in awareness raising, mobilising political will and promoting dialogue on important issues related to sustainable urban development, and presented several recommendations to strengthen the role and impact of future campaigns.

The quick win has been achieved in the sense that a document has been prepared, but we are not in a position to assess future relevance and potential effects.

### Concept Papers and Strategies for Thematic Focus Areas

The purpose of the papers is to sharpen programme focus, bring in new partners and foster programme alignment. Such papers have been prepared for all the focus areas – brief documents (10 to 12 pages) with chapters covering overall situation analysis, past experiences and lessons learned, strategies and key results and management. For each focus area results framework are also developed.

The documents have not been systematically reviewed, but appear systematic and professional. The results framework and selection of indicators are commented on in the next chapter.

### 3.3. Results Based Management

Indicators	Achievements
<ul style="list-style-type: none"> <li>- RBM guiding principles and results framework in place.</li> <li>- Leadership development and management training in 2009 to support the application of new policies, working methods and approaches.</li> <li>- Development and application of improved evaluation tools and systems.</li> <li>- Peer review of MTSIP implementation</li> <li>- Development of a knowledge management system including appropriate software.</li> </ul>	<ul style="list-style-type: none"> <li>- Overall results framework and results indicators developed for all focus areas.</li> <li>- RBM introduction and training conducted (50 staff).</li> <li>- M&amp;E guide under development.</li> <li>- To be conducted last quarter 2009.</li> <li>- Not yet developed.</li> </ul>

UN-HABITAT reporting has mainly focused on processes and specifically on inputs-activities-outputs, rather than short- and long-term results and performance<sup>7</sup>. The Governing Council called for a renewed focus on results-based management.

Funding was provided to develop and implement an MTSIP Action Plan with a well-defined number of results, indicators and benchmarks – “quick-wins” and “must-dos” – that were deemed necessary to ensure the success of the MTSIP.

There were six interrelated deliverables:

- Refine the MTSIP with SMART (specific, measurable, attainable, realistic and time-bound) objectives, indicators and performance measures.

<sup>7</sup> Inception Report, Results Based Management, 2008.

- Develop a framework and strategy for mainstreaming RBM in UN-HABITAT.
- Develop TORs for improving the operations of the Programme Review Committee.
- Develop guiding principles and benchmarks for designing performance measurements for the MTSIP.
- Develop an introductory RBM training programme for all staff.
- Prepare guidelines for results-based and participatory programme planning and budgeting.

Results are those changes that occur above the level of outputs - outcomes and impacts. The latter type of result is long-term in nature while outcomes are medium-term results and most often used in the formulation of a strategic plan, such as the MTSIP.

Through the combined effort of staff in the Monitoring and Evaluation Unit and an external consultant, significant steps have been taken in introducing results based management:

- An overall results framework has been prepared for strategic goals and objectives.
- Results have been developed for the all the focus areas.
- Indicators of achievements are developed for each of the strategic results and expected accomplishments.

Results and indicators for each focus area were also developed in close and interactive consultation with all the divisions and are still being fine-tuned. In addition to delivering the expected “quick wins”, there is evidence that the RBM discussions have contributed to:

- Better integration and alignment between divisions through focusing on what the expected results of UN-HABITAT in stead of programmes and activities.
- The discussion has helped to clarify and agree on what UN-HABITAT’s results are – not only the overall general objectives.
- Ownership to the frameworks with results and indicators has increased in each of the divisions.

In other words, UN-HABITAT has taken a late, but large step forward in introducing results based management. However, the most difficult challenges remain – the systematic collection of data and information, compilation and analysis and not least the active utilisation and feedback of data into ongoing planning processes.

There are several well known problems experienced when introducing RBM that UN-HABITAT already has or may soon experience. RBM’s track record in other UN organisations is also highly variable (OIOS, 2008). Such an approach should not be seen as a panacea for achieving higher organisational performance in UN-HABITAT, but only as one tool. Some of the challenges are:

- *Too many indicators:* Most RBM systems end up with too many indicators which are also true in UN-HABITAT. It is often impossible to reduce number of indicators through a participatory process. In the implementation phase, it may be necessary to identify a few core indicators for each focus area – indicators that are mandatory and may serve as proxies for others.
- *Insufficient capacity to collect necessary data and information.* It is important to keep in mind that additional time and resources are required for collecting information

about change from one year to the next and about qualitative processes (e.g. policy change). It will require substantial resources to collect data about progress for several of the suggested indicators. There is a high risk that many of the indicators will never be used.

- *Results are reduced to quantitative and numerical entities* while qualitative processes and results are not covered. Important parts of UN-HABITAT normative work are not adequately captured through numerical indicators, like policy development, awareness and advocacy work. Quantitative data are necessary, but not sufficient for reporting on results and RBM may become a straight jacket filtering essential results information. The IMDIS reporting system has a preference for numerical data. There is often a false notion in RBM practice that if results can't be measured numerically, they can't be described and reported on in other forms either.
- *False assumptions about attribution.* RBM documents declare that each focus area should include the UN-HABITAT goal, strategic result, a set of expected accomplishments and sub-expected accomplishments. Such a results chain is meant to “describe causal relationships hierarchically ordered, flowing from the strategic results at the top to the accomplishments at the lower level”.<sup>8</sup> UN-HABITAT makes often only a small contribution to an objective and rarely alone. The further out in the results chain one comes – the more unlikely it is also that change can exclusively be attributed to UN-HABITAT.
- *Principles of shared accountability should inform reporting about results.* UN-HABITAT refers to and supports the principles in the Paris Declaration and subsequently the notion of shared accountability. Results come from the collective effort of a broad range of national and international efforts and measurement should focus on overall achievements.
- *Insufficient analysis and evaluative assessment:* An RBM system presents results data, but does not include any analysis of what explains positive or negative results or any understanding of processes of implementation. As such RBM needs to be complemented with strategic and programmatic evaluations in order to balance the M (monitoring) with the E (evaluation).

There is also the danger that introducing results-based management becomes an addition to existing monitoring and reporting efforts. It should in principle be accompanied by a relaxation of the volume, scope or detail of regulatory frameworks and lower level reporting on activities and outputs. The tragedy emerges when RBM becomes a ritual – an end in itself mainly perceived as an additional burden. As discussed later in the report, the procedures around the biannual work plan and budgets will remain unchanged and the MTSIP reporting system is yet to be developed – so UN-HABITAT may easily end up with an additional two layer reporting structure. UN-HABITAT claims on the other hand that that the 2008-2009 work programme will be 75% aligned with MTSIP. 2010-2011 85% aligned, and 2012-2013 be 100% aligned. In other words, that there should not be two layers of reporting.

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<sup>8</sup> “For each focus area, a set of objectives and SMART indicators of achievement will be agreed. Baseline data will be collected and measures will be developed to ensure that the quality of the impact of activities is satisfactorily assessed and to ensure clear attribution to the organisation’s interventions” (GC/21/Add.1).



### Results based management – not results based funding

RBM is seen as “a management strategy by which the Secretariat ensures that its processes, outputs and services contribute to the achievement of clearly stated expected accomplishments and objectives. It is focused on achieving results and improving performance, integrating lessons learned into management decisions and monitoring of and reporting on performance.”<sup>9</sup>

To create a clearer and more focused strategy seems to be the main purpose of RBM – to construct more order in objectives, targets, indicators, etc. and to build a basis for measurement, but the actual attainment or non-attainment of results is of no discernable consequence for resource allocation. UN-HABITAT does not intend to use results for performance based funding – as several other international agencies have done. Reporting on results is not supposed to feed into the budgeting process.

### 3.4. Resource Mobilisation and Branding

The indicators and reported achievements for resource mobilisation and branding are as follows:

Indicators	Achievements
<ul style="list-style-type: none"> <li>- Resource Mobilisation Unit established.</li> <li>- Resource mobilisation strategy adopted and implemented.</li> <li>- Catalogue of UN-HABITAT products and services.</li> <li>- Donor data base and profiling in support of country level resource mobilisation.</li> <li>- In-house success stories and presentation package for non-conventional donors.</li> <li>- Information/communication packages in support of key elements of the Global Campaign for Sustainable Urbanisation.</li> <li>- Branding.</li> </ul>	<ul style="list-style-type: none"> <li>- RMU Unit partly established.</li> <li>- Brief resource mobilisation strategy draft prepared.</li> <li>- Catalogue prepared and printed.</li> <li>- Not prepared.</li> <li>- Not prepared.</li> <li>- Prepared.</li> <li>- Brand Manual containing graphic design standards and editorial guidelines finalized.</li> <li>- Brand toolkit CD-ROM comprising of brand manual in electronic format.</li> <li>- Standard Marketing Kit comprising of generic folders, posters, the UN-HABITAT Brochure in 6 languages, 2008 Annual Report in English and French and event related publicity materials is currently being finalized.</li> </ul>

A Resource Mobilization Unit was established in 2008, but progress has been slow. The unit was supposed to be staffed with a Head, a Resource Mobilization Officer, a JPO and an Administrative Assistant. As of May 2009, the Head of the Unit and a JPO are in place (entry on duty of JPO 4 May 2009) with administrative support. The other staff have been identified, but due to lengthy procedures for recruitment they are not in place – even if the process started more than one year ago.

<sup>9</sup> OIOS, 2008.

The overall strategy for resource mobilisation is part of the MTSIP. The objectives are to correct the imbalance between non-earmarked and earmarked contributions and secure more predictable multi-year funding arrangements. The following benchmarks are listed:

- less reliance on the top ten donors<sup>10</sup>;
- expansion of the donor base;
- increase in general purpose contributions<sup>11</sup>;
- increase in percentage of funding coming from multi-year framework agreements.

A plan for “Implementing the Resource Mobilisation Strategy” has been prepared and shared with CPR – a four pages document that does not add much value to what is already mentioned in the MTSIP. There are also other internal working documents, but not a clear action plan with a detailed analysis and assessment of current funding patterns and a prioritised list of strategic actions in order to expand and diversify the funding base and correct the imbalance between general purpose and earmarked contributions.

However, there are examples of positive developments:

- Multi-year programme agreements have been signed with Norway (2006) and Sweden is in the process of entering such an agreement (2009), while the Government of Spain has indicated its willingness to do likewise. Other donors are not considering similar type of support.
- The European Community has recently funded a multi-year programme in slum upgrading covering several African, Caribbean and Pacific group of countries and a similar arrangement is planned to be discussed with the Government of Italy for countries of their interest.
- Actions have been initiated to mobilise resources from non-traditional donors, like the Asian, African and Islamic Development banks; the private sector and individuals. Agreements have been reached with BASF, Google.org, Coca-Cola and Oceana and contacts have been established with private foundations including Rockefeller, Yahoo, E-Bay, and Voss.

### *3.5. Donor Confidence and Funding*

With limited core resources from the UN system, funding of UN-HABITAT depends basically on donor confidence – to what extent donors believe that UN-HABITAT has an important and relevant agenda in line with their own priorities and capacity and capability to perform and deliver. Confidence is an elusive concept, but can best be measured by looking at levels and modes of funding. An example of confidence is a steep increase in funding from a donor – no confidence would entail cut in all donations. The middle-men sticks often to status quo, remains sceptical while waiting for evidence of improvements. Levels and patterns of funding are here treated as proxies of donor confidence.

UN-HABITAT has the following sources of funding:

- (a) Regular budget allocations approved by the UN General Assembly (core funding).
- (b) General purpose contributions - non-earmarked voluntary contributions from Governments to support the implementation of the approved work programme.

<sup>10</sup> The aims are to retain and possibly expand the funding base from the top ten donors and to increase it by bringing new donors onboard as well as to increase funding from a greater number and variety of donors.

<sup>11</sup> General Purpose contributions are non-earmarked voluntary contributions from Governments for which the budget allocations are approved by UN-HABITAT’s Governing Council.

- (c) Special contributions - earmarked voluntary contributions from Governments and other donors for the implementation of specific activities included in the work programme and consistent with the UN-HABITAT mandate.
- (d) Technical cooperation contributions - earmarked resources from Governments and other donors for the implementation of specific technical country level activities.

*Table 4: Contributions from donors between 2002 and 2008(in mill US\$)*

Sources of funds	2002	2003	2004	2005	2006	2007	2008
Regular budget							
General purpose	6.063	8.310	10.51	10.52	10.16	17.57	19.84
Special purpose	20.54	17.23	22.18	35.50	44.51	64.05	45.47
Technical cooperation	25.27	26.28	64.01	77.87	71.34	74.86	89.90
<b>TOTAL CONTRIBUTIONS</b>	<b>51.87</b>	<b>51.83</b>	<b>96.71</b>	<b>124.9</b>	<b>126.0</b>	<b>156.5</b>	<b>135.36</b>

The non-earmarked contributions have increased from an annual average about US \$ 6 mill in 2002 to approximately 20 mill in 2007 – a 230% increase. There is a threefold increase in special purpose contributions both towards the Foundation (from 20.5 mill. in 2002 to 64 mill in 2007) and country level technical cooperation (from 25.7 mill in 2002 to 90 mill in 2007).

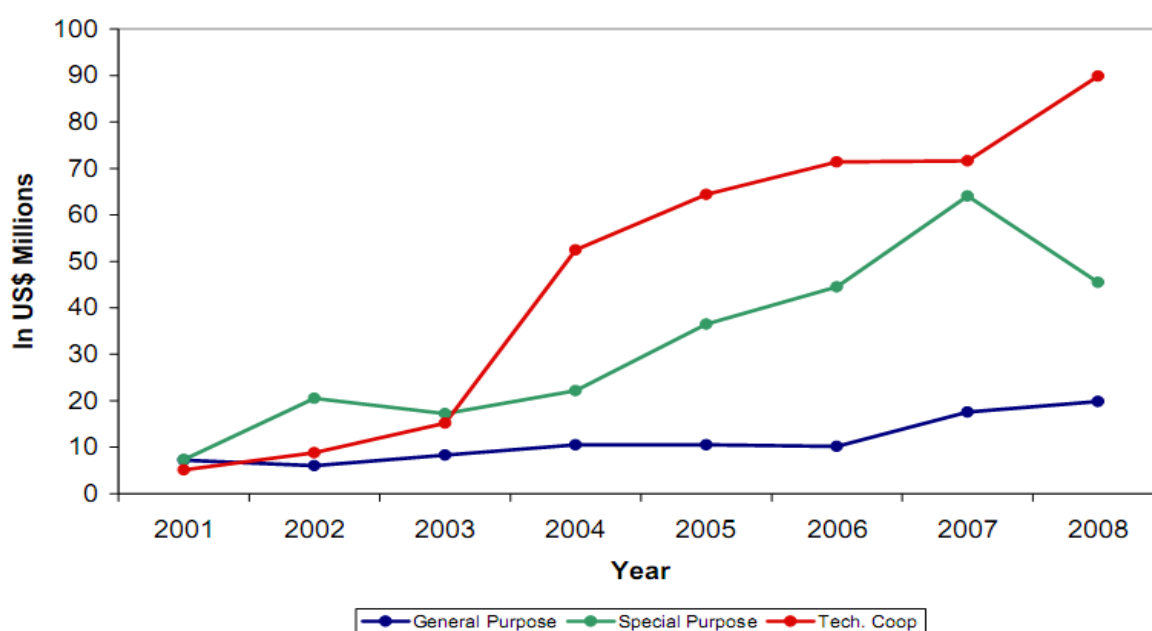
For the biennium 2009-2010 distribution between the various budgets was as follows:

Regular budget:	7%
General purpose:	18%
Special purpose:	28%
Technical cooperation:	47%

Looking at three programme periods the development in projected expenditure was as follows:

*Table 5: Projected expenditure 2006-2007, 2008-2009 and 2010-2011(mill US\$)*

	2006-2007	2008 – 2009		2010-2011	%
	Actual	Estimated	Revised	Proposed	Change
<b>Regular budget</b>	<b>20.6</b>	<b>21.5</b>	<b>21.5</b>	<b>21.5</b>	<b>0</b>
General purpose	21.7	47.8	47.8	66.2	38
Special purpose	73.0	72.9	107.9	95.7	- 11
Total	94.7	120.7	155.7	161.9	4
Technical cooperation	155.8	121.4	145.2	172.6	19
<b>Total expenditure</b>	<b>271.1</b>	<b>263.6</b>	<b>322.4</b>	<b>356.0</b>	<b>10</b>

**Or as presented in a graph:****Donor base**

The donor base for voluntary contributions is narrow with approximately 60% of the total contributions and over 90% of the non-earmarked contributions being received from the top ten donors.

*Table 6: Top ten donors in 2007 to UN-HABITAT*

Core contributions		Earmarked contributions		Total contributions	
1. UN regular budget	39	Spain	12	Spain	11
2. Norway	15	Sweden	10	Norway	10
3. Sweden	11	Norway	10	Sweden	10
4. Italy	9	Netherlands	8	Netherlands	8
5. Spain	7	Canada	7	Regular budget	7
6. UK	7	EU	3	Canada	5
7. Netherlands	6	Italy	3	Italy	4
8. Finland	2	Libya	2	UK	2
9. France	1	Egypt	2	EU	2
10. US	1	Afghanistan	2	Libya	2
Others	2	Others	41	Others	39

**Funding of MTSIP**

The MTSIP called for additional extra-budgetary resources for 2008-2009 amounting to US\$ 15 million. According to the progress report to the Governing Council February 2009, UN-HABITAT had received only US \$ 8.4 mill – leaving a gap of 6.6 mill. Of these funds, the bulk was not received until June 2008 which led the Secretariat to adopt a prudent approach to expenditure – in particular recruitment and recurrent costs. The donors to MTSIP are the same as those providing general and special purpose support.

*Table 7: Donors to MTSIP*

Donor	Amount in US	Status
Norway	3.393.208	Received
Sweden	3.157.765	Received
Italy	1.744.800	Received
Canada	73.972	Received
Total	8.368.745	

### **Summary of funding situation and donor confidence**

UN-HABITAT has experienced a three fold increase in total contributions between 2002 and 2007. There has also been an increased willingness by some donors to provide un-earmarked contributions, but still an overwhelming donor preference for earmarked funding and in particular country level projects.

The critical challenges for UN-HABITAT are:

- The continued and rising imbalance between earmarked and non-earmarked contributions – leading to a distortion of programme priorities between global normative and country level operational activities and between overfunded and underfunded programmes.
- Despite the increase in the total financial resources, UN-HABITAT continues to experience a budgetary short-fall between its conservative biannual budgets and the actual funds received – leading to a fragmented approach in the implementation of the agreed work programme.
- A small number of large donors – making the organisation vulnerable to any changes from one or two of those donors.
- Only two countries willing to enter into multi-year funding agreements (Norway and Sweden) with Spain not likely to follow in the immediate future.
- No strong resource mobilisation unit and strategy in place.
- A negative climate and lack of confidence between UN-HABITAT and key donors in the CPR. Most of the donors seem to have adopted a wait and see strategy – making funding dependent on future changes as a result of MTSIP implementation and/or changes in senior management.

### **3.6. Institutional and Administrative Processes**

A previous review of UN-HABITAT's administrative structures identified major issues around lack of efficiency and effectiveness in key administrative services and concluded that such problems could be traced to distortions in the organisational structure of UN-HABITAT – the often unconnected and poorly coordinated relationships between the Programme Divisions, the Programme Support Division and in particular UNON (Dalberg 2007). The three main drivers of inefficiencies were:

- Overlapping and excessive certification and compliance checking.
- No clear delegation of authority and approval framework.
- Unclear role of UNON as a service provider and controlling agent.

The institutional component in MTSIP seeks to address several of the issues mentioned above – in order to improve organisational efficiency. This assessment is not in a position to answer the broader evaluation question – whether UN-HABITAT has become a more efficient organisation. The following sections explain what initiatives have been taken, what activities have been implemented and include a preliminary discussion of relevance and effectiveness.

## Programme Review Committee

Indicators	Achievements
<ul style="list-style-type: none"> <li>- A strengthened Programme Review Committee with revised procedures and criteria to reinforce programme alignment and cohesion.</li> </ul>	<ul style="list-style-type: none"> <li>- Preliminary step: Regional Programme Review Committees formed and delegation given.</li> <li>- Concept note on PRC developed in-house.</li> <li>- Ongoing discussion for the increased review threshold level by the Regional and HQ PRCs.</li> <li>- Development of the standard templates: Project Briefs, Project Documents and Review Checklists developed.</li> <li>- Paper on the proposed strengthening of the PRC prepared by consultant.</li> <li>- Structure of strengthened PRC decided.</li> <li>- Standard Operating Procedures to be refined before next phase of delegation can be effected.</li> </ul>

One of the “quick-wins” has been “Strengthening the Programme Review Committee”. However, this is not a quick technical fix, but embedded in broader issues about approval processes and delegation of authority within the organisation.

At present, there is not a single UN-HABITAT PRC. In addition to the Nairobi based PRC, there are Regional committees that were authorized last year to review projects below a certain level (less than 300 000 US\$). However, there are no clear terms of reference for any of the PRCs only some terms and conditions in the Project Manual.

The ambitious purpose for the Project Review Committees was “to ensure compliance of projects with the strategic objectives and cross cutting issues of the UN-HABITAT agenda, and to strengthen results-based programme planning, alignment and cohesion, evaluation and reporting, improved resource allocation and sharing”.

The funding pattern of UN-HABITAT explains the background for the need for such Programme Committees. Non-earmarked funds reach only about 20 percent of total revenues, meaning that the remaining 80 percent are earmarked funds largely raised through approved projects. Divisions have been the principal initiators and managers of projects. Projects have been the means for divisions to access resources<sup>12</sup>. The Programme Review Committees were established to review project proposals and make recommendations for or against their approval from an organizational and not divisional point of view.

This is a major task and the PRC is still considered relative ineffective for a number of reasons:

- Divisions continue to deal bilaterally with donors and negotiate deals with them that are then brought to PRC for what could be termed “rubber-stamping” (Fox, Inception Report, 2009).
- PRC rules and procedures have been ignored when decisions have not been to the liking of concerned proposers.
- Several of the larger trust funds have their own internal review and approval processes including donor participation, but not a broader organizational review through the existing PRC system.

<sup>12</sup> A significant number of staff (35 to 40 percent) is also dependent on earmarked projects for their salaries.

- There is no required review of proposals below \$ 300 000. as suggested in the new guidelines for delegation of authority - leaving a large number of proposals out of the review loop. It is difficult to see how UN-HABITAT's corporate interests are ensured in the large group of projects below the ceiling.
- The PRC has only an advisory function with a complex dual mandate: On the one hand "review and appraise feasibility of proposals and provide guidance on development of programme documents" and on the other carry out a strategic assessment of to what extent proposals are in line with UN-HABITAT's overall goals and corporate interests. The former is a more "narrow" technical task while the second is a broader organizational issue and the two should be addressed by different groups of people and at different levels in the organisation.

### Realignment of human resources

Indicators	Achievements
<ul style="list-style-type: none"> <li>- New job profiles defined according to results framework.</li> <li>- MTSIP compliant job descriptions adopted for recruitment/replacement for 2009-2011.</li> <li>- Succession planning for senior management posts.</li> <li>- Development of performance monitoring and reporting systems.</li> </ul>	<ul style="list-style-type: none"> <li>- Generic job descriptions for the PMO and HSO posts have been developed.</li> <li>- Job descriptions for all new recruitments are reviewed to ensure compliance to MTSIP requirements.</li> <li>- Job descriptions prepared for 13 out of 15 professional approved posts under the MTSIP. Recruitment on-going.</li> </ul>

MTSIP and the introduction of results based management will require progressive changes in human resource management, e.g. an organisation-wide job evaluation and needs assessment, a review of skills available within the organisation and reallocation of staff and on-the job training both locally and internationally.

It seems that the "quick wins" have been achieved. Job descriptions have been reviewed and revised. New job descriptions have been prepared for the additional posts. Recruitment is ongoing.

There will over the next one to two years be a major shift at senior management level – including the ED and several of the Division Directors due for retirement. We have not seen any example or plans pertaining to succession planning for the senior management posts. It is also somewhat surprising that the "Excellence in Management" programme is limited to mostly improvements in administrative procedures and organisational mechanisms and not in management as such. Excellence in management would necessarily include excellent managers. Maybe this is taken care of somewhere else outside the Excellence in Management programme, but such a component would naturally belong here.

### Delegation of authority

The delegation of authority is designed to improve administrative efficiency and accountability and promote management excellence. Delegation of authority has so far been discussed in terms of decisions related to procurement, travel and the Programme Review Committee.

Indicators	Achievements
- Proposal tabled for greater delegation of authority to the divisional level accompanied by greater measures and instruments of accountability.	- Draft Accountability Framework prepared. - Ongoing pilot test of revised travel guidelines, including the delegation of authority at divisional level. - Draft Delegation of Authority for Project Review and Approval, including proposal for increasing the threshold level of the Regional and HQ PRC. - Additional delegation of authority being considered.

The expected deliverables are available, but the discussion, approval and implementation are said to move slowly. UN-HABITAT has been and remains a centralised organisation in which even smaller decisions are taken at a high level involving complex approval procedures. There are efforts to introduce new systems for more delegation of authority (e.g. that travel requests are authorised not by the Executive Office but by Divisional Directors, and change in threshold levels for approving new projects), but it is too early to assess the accountability framework and to what extent there have been any improvements.

### **Intra-divisional restructuring**

Internal alignment and restructuring will be made to improve working relations, focus and internal efficiency as part of Excellence in Management.

Indicators	Achievements
- Proposals for intra-divisional restructuring in line with MTSIP approved and presented to the CPR.	- OED: Creation of a D2 post for Office of External Relations, which now groups the Governing Council Secretariat, the Information Support Services and the Resource Mobilization Unit. - Monitoring and Research Division: Creation of the Global Urban Observatory Section to support the flagship reports, the Report on Water and to serve the various Divisions (e.g. Regional State of the World Cities) in terms of statistical requirements analysis. Fostering inter-divisional collaboration. - The Global Division: An Urban Environmental Planning Branch has been set-up and also an Urban Design and Planning Section. The Disaster and Post Conflict Section has been moved to the Shelter Branch from the Urban Governance Branch. - Proposals for moving Transport Section from the Water and Sanitation Branch, HSFD to the Urban Environment Branch is being considered.

The moderate intra-divisional restructuring has been completed, but there are several more complex underlying issues pertaining to the relationship between the MTSIP and the bi-annual work plan and budget, which are not addressed in the Excellence in Management programme.<sup>13</sup>

The relationship between MTSIP and the established biannual work plan system is peculiar from many perspectives. On the one hand, UN-HABITAT has prepared and the Governing

<sup>13</sup> The analysis has benefited from the various papers from Leslie Fox – see References.



Council approved a new vision and strategy for the organisation. It represents a deliberate shift to a more strategic and results-based framework and organisational priorities are expressed through six focus areas. In most organisations, such a shift would have involved a systematic analysis and most likely significant programmatic and organisational restructuring. Not so in UN-HABITAT, because the existing programme planning framework and organisational structure (with four programme divisions) cannot be changed since all are approved by the UN General Assembly and will have to be changed by the same Assembly – something which is considered as nearly impossible. The underlying challenge for UN-HABITAT is on the hand belonging to the UN Secretariat while at the same time operating as a member of the Funds and Programmes of the United Nations.

As seen by UN-HABITAT, the only way forward is to gradually align the biannual work programme and organisational structure to the MTSIP priorities and requirements and vice versa. They provide also assurance that the biannual work programme for 2010 – 2011 “to a large extent has been aligned with the six-year medium term strategic and institutional plan” and that the five substantive focus areas of the MTSIP will be implemented through four interlinked sub programmes – corresponding to the existing programme divisions. In the 2012-2013 biennium full alignment is expected.

However, there are important differences between the Biennium process and MTSIP programming:

- A two year work programme versus a six year MTSIP.
- Four sub-programmes versus six Focus Areas
- Two year work plan budgets versus six years MTSIP Action Plan without a separate budget.
- No separate MTSIP reporting format or reporting except on the Action Plan.
- An IMDIS system reporting on outputs to the UN Secretariat versus MTSIP with its own log-frame and benchmarks reporting to the CPR.
- There is a dedicated organisational structure for implementing the biannual work plan and the MTSIP focus areas should be delivered through the same structures.

While the MTSIP is the new overall strategic framework, it is the biennium process and related documents that remain the principal and official mechanisms submitted for Programme review and approval.

It is possible to reach a modus vivendi between MTSIP and the biannual work plan mechanism and the Secretariat has shown how it can be accomplished, but it is questionable if this is an optimal solution for a number of reasons:

- The current divisional structures may not be the most effective *results-based units of management* to deliver MTSIP results. The programmatic and management orientation in the divisions have been on projects and producing short-term outputs rather than longer term results.<sup>14</sup>

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<sup>14</sup> “It would not be too much of a stretch of the available facts to conclude that Divisions have become the principal unit of survival within UN-H and thus the locus of employee allegiance rather than to the broader organization. Every division has become an island with few links to other divisions; or to put it more pejoratively, feudal fiefdoms with the Divisional Director the patron and his staff clients dependent on the ability of the feudal enterprise to ensure their survival”.

- Strategic oversight of MTSIP is a corporate and executive function and should not be delegated to the divisions. The MTSIP Task Forces are only temporary and the principal responsibility for MTSIP should be phased over to a new structure at a higher level.
- The MTSIP in which results are formulated by Focus Areas have no dedicated organizational structure to plan and manage for results, and then collect, analyse and report on them.
- It is assumed that IMDIS is capable of accommodating results indicators in addition to process and output indicators, but this is not yet confirmed.
- The danger of incremental alignment is that the biennium planning and budgeting processes, organizational structures and cultural behaviour will overwhelm the emerging focus areas and results oriented MTSIP with weak or non existing processes, structures and norms of its own.
- If UN-HABITAT really wants to create a new and stronger corporate culture and if fragmentation and internal competition are due to existing rigid divisional structures, it is likely that such problems will perpetuate themselves – unless there is a more radical restructuring and reshuffling of staff. It may be difficult to change UN structures, but it is also difficult to believe that it is impossible.

### Streamlining of Work Flows

Indicators	Achievements
<ul style="list-style-type: none"> <li>- Streamlined workflows and effective reduction in time required for project approvals, project revisions and other procedures.</li> <li>- Improved business practices in line with new ERP accounting and reporting software.</li> </ul>	<ul style="list-style-type: none"> <li>- Draft Delegation of Authority for Project Review and Approval.</li> <li>- Draft TOR for the Cooperation Agreement Review Committee and finalization of the arrangements for the Cooperation Agreement System. Computerisation of Cooperation Agreement Process in-progress.</li> <li>- Draft SOP on Project Review and Approval uploaded on the offline page of the Intranet. SOP page on the Intranet for various business processes.</li> <li>- Ongoing validation of standard templates, quick guides and checklists aimed to support process improvements.</li> <li>- Post approved for procurement and asset management.</li> <li>- Percentage of programme documents reviewed within 7 days has risen from 67% in 2008 (average) to 71% so far in 2009.</li> </ul>

A recent Swedish assessment of UN-HABITAT (2008) pointed to internal inefficiency as one of the main problems in UN-HABITAT. The allegation is not substantiated in any detail, but reflects a perception of UN organisations in general and UN-HABITAT in particular as overly bureaucratic and inefficient organisations.

**Conclusions Swedish assessment of UN-HABITAT:**

- The goals and objectives are relevant and support the main thrust of Sweden's policy for global development.
- The internal efficiency and effectiveness of the organisation is "not good". The Governing Council has repeatedly required improvements in organisational performance. It is too early to assess the impact of ongoing reforms, but the implementation is so far uneven.
- There is no solid empirical basis for assessing external effectiveness, but overall it is found relatively good.
- Partnerships with UNDP, World Bank, UNEP and the regional development banks have been strengthened.
- UN-HABITAT is found to engage itself more at country level as part of the One UN project.
- MTSIP provides a positive long-term perspective and a basis for a more constructive development of the programme – depending on the Executive Director's commitment to the implementation of the plan.

The Excellence in Management programme has placed internal efficiency high on the agenda. The quick wins have to a large extent been delivered, but this assessment has not been able to establish whether changes introduced have translated into or are likely to lead to more long-term changes. There are, however, positive indications of progress with potential long-term effects.

It should also be mentioned that UN-HABITAT's internal efficiency is determined and severely constrained by an external arrangement. The merging of administrative services of UNEP and UN-HABITAT led to the establishment of UNON or the UN Office in Nairobi. The logic behind UNON is clear, but the advantages and gains are said to be few. The major allegations are a mismatch between rules and regulations and expected responsiveness – adding transaction costs and an extra layer of bureaucracy. UNON is neither directly accountable to UN-HABITAT or UNEP – making it difficult to change.

The challenges with UNON is well known within UN-HABITAT and repeatedly referred to as a key constraint for improving organisational efficiency. It may be considered as a given – beyond the control of UN-HABITAT, but on the other hand the issues could have been acknowledged in the Excellence in Management Plan. On the contrary, UNON is given responsibility for and will be engaged in "reviewing and finalising the strategic intervention plan" for the suggested accountability and efficiency framework!

### 3.5. Staff Engagement and Response

Indicators	Achievements
<ul style="list-style-type: none"> <li>- Improved engagement of UN-HABITAT staff in formulating and implementing new policies and strategies designed to enhance MTSIP vision, objectives and working methods</li> </ul>	<ul style="list-style-type: none"> <li>- Strategic framework and work programme and budget 2010-2011 prepared in a more participatory manner.</li> <li>- SMART indicators for all focus areas developed in participatory manner accompanied by training.</li> <li>- Guidelines for results based and participatory project planning and budgeting endorsed by RBM Task Force.</li> </ul>

Building a corporate culture is a key determinant for successful implementation of MTSIP. A staff satisfaction survey has not yet been carried out, but planned later this year. Staff have been involved in development of focal area papers. There have also been extensive meetings

between all divisions and the RBM consultant and Monitoring and Evaluation Unit to discuss and agree on results and developing SMART indicators.

The few staff interviewed as part of this assessment do not provide any solid basis for generalisations, but it seems that the MTSIP is well known and has introduced a new drive and motivation among staff. The staff survey should provide a more accurate picture of staff satisfaction and opinions.

The indicators and achievements for more transparent and participatory work processes confirm the same trends:

Indicators	Achievements
<ul style="list-style-type: none"> <li>- Proposals for more transparent and participatory budgeting process approved.</li> </ul>	<ul style="list-style-type: none"> <li>- Work on-going.</li> <li>- Recently approved 2010-2011 Budget and Work Programme have been prepared through consultations with Divisions.</li> <li>- Development of new Results Framework has been done through a participatory process.</li> <li>- Target for 2009: documented time-line and responsibilities for budgetary process.</li> <li>- Greater intra- and inter-divisional consultations in the preparation of project proposals before presentation to PRC.</li> </ul>

The objective is to promote inter-divisional cooperation, as well as programme cohesion and alignment. Building on the participatory process that led to the formulation of the MTSIP, a more participatory process will be used for the preparation of future biennial strategic frameworks, work programmes and budgets, starting with the 2010-2011 framework. This is intended to further promote inter-divisional cooperation.

### 3.6. Other Issues

#### **Sustainable Urban Development Network and Cities and Climate Change<sup>15</sup>**

Terms of Reference asked for an outline of the relationships and co-operation between Focus Area 4 “Cities and Climate Change” and existing programmes such as “localising Agenda 21”, “Sustainable cities network” and UNEP’s work on cities and climate change. The following presentation is based on existing information and has not been verified by any further assessment.

*The Sustainable Urban Development Network (SUD-Net) is a “network of global partners with the overall aim of building the capacities of local and national authorities, strengthening the power of decision-makers of local authorities and promoting the inclusion of the community in decision-making processes”.*<sup>16</sup>

SUD-Net works with actors and networks focusing on promoting inter-disciplinary approaches to sustainable urban development. The programme takes a systemic view of sustainable urban development that encourages the strengthening of existing collaboration between the North and South and the bridging of existing knowledge and learning gaps through global, regional, national and city-to-city networks and partnerships. This programme seeks to provide a new way of creating coherence and promoting inter-disciplinary approaches to sustainable urban designs and systems for improving basic infrastructure services.

The Sustainable Urban development Network is responding to UN-Habitat’s global responsibility towards sustainable urban settlements. SUD-Net is identified in the Campaign for Sustainable Urbanisation as an activity mobilizing and providing spaces for dialogue or working on moving the sustainable urbanization agenda forward. In addition, a SUD-Net Secretariat has been established within the Global Division, with two technical full time staff supporting the different branches of Global Division to operationalize SUD-Net.

SUD-Net is intended to gradually incorporate and consolidate existing structures and networks of initiatives like the Global Land Tool Network, HS-Net, the Habitat Partner Universities and the Safer Cities Programme. To this end, some of the programmatic areas have been re-aligned within the Global Division across the Focus Area 2 and 3 of the MTSIP.

In addition, SUD-Net is utilizing the experiences, methodologies and results of the UN-HABITAT’s Lake Victoria Programmes, and existing networks to provide support to strategic urban planning for sustainable urban development. A database of global, regional and local partners is being established to capture experiences and to provide a clearing house of partners, resources, tools, and methodologies for sustainable urban development.

The priority focus of SUD-net currently identified to enhance inclusive urban planning, management and governance and sustainable urban development are: *Governance; Environmental planning and management; Urban Economy; Governance, Education; and Planning*. SUD-Net is at the moment operational through two components:

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<sup>15</sup> Presentation prepared by Rose Osinde.

<sup>16</sup> [www.unhabitat.org/sudnet](http://www.unhabitat.org/sudnet)

- Education, Training and Research, with the Habitat Partner University initiative as the entry point.
- Environmental Planning and Management with the Cities and Climate Change Initiative (CCCI) as the entry point.

The Habitat Partner University initiative operationalizes the Education, Training and Research component of the Sustainable Urban Development Network (SUD-Net), by acting as a means of enlarging cooperation between UN-HABITAT and institutions of higher education, as well as facilitating exchange and cooperation between universities in developing and developed nations. .

*The Cities and Climate Change Initiative (CCCI)*, the initial step for making SUD-Net operational, seeks to integrate principles of sustainable development into country policies and programmes in developing countries to promote resilience to climate change. The long term goal of CCCI is therefore to enhance climate change mitigation and preparedness of cities in developing countries through advocacy, education, training and tools development and application.

CCCI activities contribute to and facilitate city-to-city collaborations and utilize the resources of the networks of previous programmes. The national and local processes in the current pilot phase are designed in such a way that they aim for maximum inclusiveness and participation with the outputs targeted at a range of stakeholders including: the local authorities, the general public, tertiary education and continuous learning institutions, community-levels actors (through the local urban knowledge arenas) and the private sector.

The CCCI was officially launched on March 17, 2009 in Oslo, Norway, where key issues such as strengthening of north-south city partnerships for effective technology, finance and knowledge transfer at the local, national and global levels were explored. SUD-Net CCCI works collaboratively with a number of UN and other development agencies including UNDP, UNITAR, UNEP, Cities Alliance, the World Bank among others. For instance, UN-HABITAT is a member of the HLCP working group on climate change, where CCCI has been mainstreamed in the joint UN paper which was presented in Poznan in December 2008. Discussions have also reached an advanced stage with UNDP and UNEP to collaborate in a project on carbon neutral and carbon resilient territories involving 500 regions.

In line with the one UN approach, UN-HABITAT and UNEP have developed a “framework” for collaboration. A key component of the agreement is to work together on Cities and Climate Change. Under the provisions of the UN-Habitat/UNEP Partnership Framework, common work plans are developed biennially with specified joint activities and joint issue-based campaigns.

In addition, the Carbon Neutral Network (CNN) launched by UNEP in 2008 complements the Cities and Climate Change Initiative in UN-HABITAT. While CNN aims to mobilise global awareness and interest for carbon neutral economies by focusing on adaptation with a geographical emphasis on developing countries, and the Arctic Region, CCCI provides direct technical support to cities and their communities. The two initiatives - CNN of UNEP and CCI of UN-HABITAT are seen as collaborative instruments between the two agencies: CNN through its network will facilitate the interpretation and dissemination of Global Climate Change concerns.

UN-HABITAT added value on the other hand lies in the actual strengthening of capacities and competences of countries and cities in building resilience to climate change. As such, the initiatives are complementary and not overlapping.

SUD-Net and CCCI are among the current UN-Habitat's programmatic areas that are demonstrating how MTSIP implementation can be undertaken coherently through internal and external partnerships and networking. The results of CCCI mainly feed into the accomplishments of Focus Area 2 on urban planning, management and governance, with linkages to all other focus areas as and where relevant (sustainable buildings, basic infrastructure and services, human settlements financing). SUD-Net and CCCI collaborate with other Divisions (e.g. with Monitoring and Research Division which is collaborating with SUD-Net and CCCI on the 2011 Global Report on Human Settlements 'Cities and Climate Change') and in joint initiatives envisaged under the MTSIP Flex funding.

### **Flex Fund**

The intention of the fund was to provide flexible support to un-funded or under-funded activities in the work programme. A set of broad guidelines and criteria for the use of the Flex Fund has been prepared:

The Flex Fund should provide support to the following types of activities:

- Relevance to the five thematic areas of the MTSIP and to the Global Campaign on Sustainable Urbanisation.
- Relevance to mainstreaming goals and strategic objectives of the HABITAT agenda and of the human settlements related MDGs.
- Relevance to recent decisions by the Governing Council, the ECOSOC or the General Assembly.
- Relevance to furthering programme alignment and cohesion within UNHABITAT in particular between normative and operational activities.
- Relevance to capitalizing on UNHABITAT's comparative advantages in its work with partners.

A list of projects supported with allocation of resources was not made available by UN-HABITAT. The type of activities funded is:

- Support to the State of the World Cities Report 2009-2010.
- Support to the Global Report on Human Settlements 2009.
- Continuation of support to Nordic Universities network.
- Kick start phase of the Global Campaign for Sustainable Urbanisation including support to Better Cities Life Exhibition.

The relevance and results of each activity has not been assessed. The following are, however, some issues to discuss further:

- The criteria are broad and provide no basis for strategic selection.
- The criteria do not refer to the original intention of the flex fund – providing support to under funded or not funded activities in the agreed work programme.
- It is difficult to understand why such a mechanism is part of the Excellence in Management focus area.
- The guidelines do not contain any procedures for application and approval (how to apply and who decides).

## Governance

Governance is neither part of Excellence in Management nor the mandate for this assessment. However, the current system of governance seems to constrain a full realisation of the Mid-Term Strategic and Implementation plan. The most relevant issues are discussed in a paper presented to the Governing Council in February 2009.

The UN General Assembly transformed the Commission on Human Settlements into the Governing Council of UN-HABITAT, a subsidiary body of the Assembly with effect from 2002. The Council provides overall policy guidelines, direction and supervision of UN-HABITAT and is composed of 58 member states and holds biennial sessions. The Committee of Permanent Representatives is an inter-sessional subsidiary body of the Governing Council.

Without going into any details, the problems with such an arrangement are several:<sup>17</sup>

- UN-HABITAT is subject to a dual governance mechanism. On the one hand, it has a Governing Council which meets only every two years. In between, there is the Committee of Permanent Representatives in Nairobi, which “shall serve as the Governing Council’s permanent inter-sessional subsidiary organ”. On the other hand, UN-HABITAT is formally part of the UN secretariat whose Headquarter is in New York.
- The complicated governance structure makes it uncertain who actually decides what. The Committee of Permanent Representatives is in essence an advisory body and lacks the authority to make substantive decisions.
- Complex efforts are required in complying with different reporting mechanisms and accountability frameworks.
- A complicated, duplicative and fragmented system is not conducive for enhancing efficiency and effectiveness.
- The Governing Council meets only every two years for one week and governs through resolutions, a decision making mode unsuitable for a programme with sizeable operational activities.

There seems to be general agreement between member states and partners on the timeliness and usefulness of change, but the Governing Council made only a modest decision in its last meeting: “carry out a review of the effectiveness and efficiency of the current governance structure”.

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<sup>17</sup> There are two documents: Bengt Säve Söderberg, “UN-HABITAT – the case for reform of its Governance Structure”, 2008 and “UN-HABITAT’s report to the Governing Council “Efficiency and effectiveness of the Governance structure of UN-HABITAT: Note by the Executive Director”. 2009,



## 4. CONCLUSIONS AND RECOMMENDATIONS

### 4.1. Conclusions

1. UN-HABITAT has achieved a majority of the agreed “quick wins” in focus area 6: Excellence in Management of the Mid Term Strategic and Institutional Plan – most of which are delivery of specific outputs and completion of activities to be followed up and completed over the next two years. The most important are:
  - A framework for results based management and specific indicators for all focus areas have been prepared in close consultation with all divisions.
  - Country Programme Documents have been developed for 33 countries based on the enhanced normative and operational framework.
  - A concept paper for the new Global Urban Campaign has been prepared.
  - Concept papers and strategies for all the focus areas have been developed.
  - A new branding profile is launched with logo, information materials, templates, etc.
  - Job profiles for recruitment are aligned with MTSIP.
2. There have been other activities and outputs, but with less progress so far:
  - Resource Mobilisation Unit partly established (one out of three staff).
  - An incomplete resource mobilisation strategy prepared.
  - Regional Programme Review Committees established, but roles and mandates of regional and headquarter PRC still being discussed.
  - Draft proposals for Delegation of Authority and accountability framework prepared, but with slow progress.
  - Proposal for first phase organisational restructuring including minor adjustments, but no organisational master plan.
  - Slow progress in streamlining of work flows in order to improve internal efficiency.
3. The Excellence in Management programme has lasted for less than a year so it is too early to assess short- and long term effects or to what extent UN-HABITAT is becoming a more effective and efficient organisation. There are, however, positive indications of progress with potential long-term effects:
  - MTSIP provides an overall new corporate vision to which staff and units increasingly contribute.
  - The new strategy has introduced a new drive and motivation among staff.
  - The results framework has contributed to better alignment and integration between divisions in the organisation. Focusing on results has led to an increased understanding of the need for collaboration and less fragmentation.
  - The Country Programme Documents present for the first time UN-HABITAT’s current activities and plans at country level and represent a basis for joint programming and fund raising. Evidence exists of integration of UN-HABITAT in joint UN efforts.
  - The country documents have emphasised the combined normative and operational approach. There is a better understanding of the normative role within the organisation.
  - Level of funding to the organisation has tripled since 2001, but such a change cannot be attributed to the new resource mobilisation efforts.

There are also a number of challenges related to the further implementation of Excellence in Management:

4. MTSIP makes a good start at providing an overarching vision for the organisation, but the current institutional, governance and management arrangements do not ensure and may constrain further progress in the implementation of the plan:
  - The incongruence between systems and procedures in the biannual work plan versus MTSIP.
  - A governance system with blurred responsibilities.
  - An inefficient arrangement for providing administrative services (UNON).
  - Inability to carry out a strategic organisational restructuring based on MTSIP priorities.

To achieve MTSIP goals, significant reforms in the areas of governance and institutional arrangements, financial and management structure and rules will be required. Internal organisational adjustments will only be successful up to a certain level – unless such broader institutional constraints are addressed and resolved.

5. An effective roll out of MTSIP and organisational transformation are also constrained by internal factors:
  - The reform has been guided by a participatory bottom up process which now has to be followed by a stronger top level engagement – a precondition for successful reform in centralised organisations.
  - The investment in executive direction and support to the reform process seems to have been insufficient. MTSIP has been a part time responsibility at senior management level. Organisational reform requires strong and full time commitment.
  - A negative climate of cooperation with mutual lack of trust and confidence between UN-HABITAT and the Committee of Permanent Representatives and in particular certain donors – affecting the funding and support to MTSIP.
  - A Resource Mobilisation Unit has not been fully established and a strategy not yet developed..
  - Dependency on a few donors, earmarked donations, and as such high vulnerability to even small changes in donor preferences.
  - Weak capacity for roll-out of the results based management system – in particular for data collection, analysis and effective utilisation (feedback to planning).

#### *4.2. Recommendations*

##### *Recommendations to Norway:*

1. Continue supporting the roll-out of the Excellence in Management programme for at least three reasons:
  - UN-HABITAT has achieved most of the agreed targets for the first year. Level of implementation of quick wins has been satisfactory – despite weaker areas and uncertainty about long-term effects.
  - The organisation will over the next two years go through a major transformation process – with significant changes in programme direction, organisational systems and senior management. Norway should as a key donor provide active support through such a transition.

- UN-HABITAT is the only UN organisation promoting a holistic urban agenda in line with Norwegian Government policies and priorities.
- 2. Consider increasing its support to the Excellence in Management programme with a stronger focus on management training and other aspects relevant to management. The Excellence in Management programme can provide the institutional basis for a new leadership and contribute further to the development of organisational and administrative systems and tools – necessary groundwork in any organisation.
- 3. Consider ways and means to support further analysis and strategies for addressing external constraints pertaining to governance, institutional and organisational arrangements.

*Recommendations to UN-HABITAT:*

- 4. Top level management should provide proactive leadership and support to the further roll out of MTSIP and strongly consider appointing one full time senior executive to lead the process.
- 5. Strategic planning and performance measurement should be merged and become a key component of Focus Area 6.
- 6. Review what will be required to successfully implement results based management within the organisation.
- 7. Speed up the process with strengthening the Programme Review Committee and Delegation of Authority and document as soon as possible the results.
- 8. Make sure that a broader more strategic M&E framework is prepared to complement results based monitoring.
- 9. Speed up the process with the peer review process for 2009 – also as a tool for addressing the contentious issues between CPR and UN-HABITAT. The current stalemate between UN-HABITAT and CPR donors is unacceptable and unnecessary and should be resolved as soon as possible if necessary with the support of an independent third party. A high-level peer review could provide an independent and informed basis for the consultations.

## *Annex 1: Terms of Reference*

### **RAPID ASSESSMENT OF FOCUS AREA 6: EXCELLENCE IN MANAGEMENT – PROGRAMME AGREEMENT BETWEEN UN-HABITAT AND –NORWAY 2008-2009**

**Introduction** It was agreed during the Norway-UN-HABITAT consultations 2-3 April 2008, resulting in the signing of a Programme Co-ordination Agreement between the Government of Norway and UN-HABITAT for the period 2008-2009, to undertake “a one year after assessment” of the results achieved under Focus Area I: Excellence in Management.

The assessment will be undertaken in relation to the expected accomplishments outlined in the paper “Expected outcome of Activities under Excellence in Management by 1 May 2009” and the Logical Framework Analysis presented in the Programme Agreement Document.

**Goal** It shall be assessed whether the expected overall accomplishment to establish a solid foundation for the “roll out” -phase of the MTSIP has been achieved and whether the preconditions for a real transformation process is in place towards delivering its mandate in line with the priorities set by its governing body in the work programme and the MTSIP.

**Scope** UN-HABITAT has in its memo titled “Expected outcome of Activities under Excellence in Management by 1 May 2009” (submitted 30 April 2008) outlined the expected accomplishments in the form of institutional and substantive indicators. The rapid assessment shall be based on these indicators. The first set of indicators (institutional) is:

- Has UN--HABITAT built donor confidence to secure increased levels of funding for implementing the MTSIP Action Plan?
- Is a strengthened Programme Review Committee in place with revised procedures and criteria?
- Has a branding and fund raising strategy been adopted and implemented
- Have proposals for intra divisional restructuring in line with MTSIP been approved and presented to the CPR?
- Have proposals for more transparent and participatory budgeting processes been approved?
- Have new job profiles been defined and new MTSIP compliant job descriptions been adopted for recruitment /replacement for 2009/2011.
- Have proposals been tabled for greater delegation of authority to the divisional level accompanied by greater measures and instruments of accountability
- Are RBM guiding principles and benchmarking in place and further refinements

Factors that have been impeding the implementation of the roll out phase shall be identified as well as factors that have been promoting it.

The second set of indicators is critical to improving the effectiveness of UN-HABITAT’s substantive work and to securing job satisfaction and a continued sense of staff ownership of the MTSIP.

Key substantive indicators include:

- Successful completion and presentation of Habitat Country Programme Documents as the first tangible evidence of how the Enhanced Normative and Operational Framework is being applied at country level
- Concept paper and strategy of the Global Campaign on Sustainable Urbanisation successfully drafted and formulated in collaboration with external partners
- Concept papers and strategies for three out of the five thematic focus areas successfully drafted and formulated in collaboration with external partners
- Streamlined work flows and effective reduction in time required for project approvals, project revisions and other procedures.
- Improved engagement of UN-Habitat staff in formulating and implementing new policies and strategies designed to enhance MTSIP vision, objectives and working methods.

There is a third set of indicators of achievement. These include perception by staff and member country representatives that change is occurring for the better. The issue could be raised by the consultant during dialogue/interviews/telephone conferences.

#### *Other issues*

The rapid assessment shall provide an overview of the major donors' funding of UN-HABITAT, the principles applied, in particular the link between donors' funding and their directional management of the Programme

An outline shall be submitted regarding the present and future relationship/co-operation between Focus Area 4 "Cities and Climate Change" and existing programmes such as "localising Agenda 21", "Sustainable cities network" and UNEP's work on cities and climate change.

UN-HABITAT's role and participation in promoting the "One UN" concept on country level shall be assessed on the basis of the country programmes that has been produced and their follow up during the roll out phase

Critical factors in relation to the further implementation of the MTSIP, including the implication of resource constraints, shall be identified. Norway's possible future role in seconding the implementation of MTSIP shall be identified.

The relevance of the Flex fund shall be assessed.

**Methodology** The rapid assessment shall be based on:

- Relevant documents related to the co-operation between Norway and UN-HABITAT, UN-HABITAT reports, concept papers and strategies.
- interviews with relevant staff in the Ministry of Foreign Affairs, Ministry of Local Government, the Norwegian Embassy in Nairobi and members of the CPR from both developing as well as developed countries.
- Any other relevant sources.

**Time schedule** The consultant shall start work 20 April 2009. A draft report shall be submitted to the MFA and UN-HABITAT before 27 May. Comments to the draft shall be submitted in writing before 3 June. Final report shall be presented by the consultant before 9 June.

*Annex 2: References**GC documents February 2009 meeting:*

- ED Report from World Urban Forum
- Efficiency and effectiveness of the Governance structure
- Progress Reports on the implementation of MTSIP

*MTSIP*

Country Programme documents for Nepal, Nigeria, Zambia, Colombia, Malawi, Vietnam, Mozambique

Draft programme and budget 2010-2011

Draft resolution on Governance

Draft resolution on the Work Programme and Budget for the biennium 2010-11

Focus Area 1, 2, 3 and 5 Policy Papers

Focus Area 2: Participatory urban planning, management and governance. Performance Indicators for strategic results and expected accomplishments, May 2009.

Focus Area 6: Excellence in Management. Performance Indicators for strategic results and expected accomplishments, May 2009.

Global Campaign for Sustainable Urbanisation, Initial concept and strategy paper, January 2009

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Leslie Fox, A Unified Programme Review and Approval Process, April 2009.

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Programme Cooperation Agreement between Norway and UN-HABITAT 2008-2009

Quarterly reports to CPR on the implementation of MTSIP (four)

RBM debrief presentation

Results framework for the MTSIP

RMU strategy brief

TOR for RBM

*Others:*

Catalogue of Products and Services

Criteria for Use of Flex Funds

Dalberg, Review of UN-HABITAT's administrative structures and processes, 2007.

Draft work programme and budget for the biennium 2010-2011

Programme Cooperation Agreement between the Government of Norway and UN-HABITAT 2008-2009

Progress Report Programme Cooperation Agreement Between Norway and UN-HABITAT 2008-2009, Reporting period June 2008-November 2008.

Regeringskansliet, Svensk bedömning av multilaterale organisasjoner, FN's program for boende og bebyggelse, UN-HABITAT

Present Funding of UN-HABITAT

UD, Beslutningsnotat – Programavtale mellom Norge og FN's bosettingsprogram 2008-2009

UN, Review of results based management at the United Nations, Report of the Office of Internal Oversight Service. 2008.  
Work Plan and Budget for 2009 for the Programme Cooperation Agreement Between Norway and UN-HABITAT

*Annex 3: People Met**UN-HABITAT*

Alioune Badiane, Director, Regional Office for Africa and the Arab States  
Anantha Krishnan, Chief, Youth Section  
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Erik Berg, Norwegian Ministry of Foreign Affairs  
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