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**Activities of the United Nations Human Settlements
Programme (UN-Habitat), including coordination matters**

**Activities of the United Nations Human Settlements Programme:
progress report of the Executive Director**

Addendum

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

Executive summary of the evaluation report

1. In its resolution 20/15, the Governing Council of the United Nations Human Settlements Programme (UN-Habitat) requested the Executive Director “to undertake an independent strategic evaluation of the performance and impact of the Habitat Programme managers before the end of 2006 and to report thereon to the Governing Council at its twenty-first session”.
2. The terms of reference of this evaluation were finalized by the secretariat at the end of 2005, in consultation with the Committee of Permanent Representatives to UN-Habitat. The evaluation process started with a self-assessment by the Habitat Programme Managers, followed by an overall assessment carried out at UN-Habitat headquarters, which was presented to the Committee of Permanent Representatives for its consideration in May 2006.
3. The external evaluation took place during June–October 2006. It included a desk review of all pertinent documentation, a number of structured interviews with resource persons and evaluation missions to eight developing countries where Habitat Programme Managers had been active for at least two years. The external evaluation was made possible as a result of a financial contribution from the Government of Sweden. The complete evaluation report, from which the present executive summary is drawn, is submitted to the Governing Council in document HSP/GC/21/INF/3.

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

5. The Executive Director has expressed the hope that the Governing Council will consider the recommendations made in the evaluation report with a view to mobilizing more political and financial support to the Habitat Programme Manager initiative as a key element of the medium-term strategic and institutional plan of UN-Habitat (see document HSP/GC/21/5).

I. Executive summary

A. Background and programme origin

6. The present report describes the external evaluation of the performance and impact of UN-Habitat Programme Managers (Habitat Programme Managers). The evaluation team has analysed the impact of Habitat Programme Managers in the countries where they have been deployed, including through:

(a) A desk review of relevant documentation (including the internal evaluation report submitted by UN-Habitat to the Committee of Permanent Representatives in May 2006, the self-assessment by the Habitat Programme Managers and the assessment by the organization's regional offices and selected UNDP field offices);

(b) Interviews with key resource persons from UN-Habitat headquarters and regional offices;

(c) Evaluation missions to eight countries (Colombia, Egypt, Mexico, Mozambique, Nigeria, the Philippines, Senegal and Sri Lanka).

7. The Habitat Programme Manager initiative was instigated following the signing of a memorandum of understanding between UN-Habitat and the United Nations Development Programme (UNDP) in October 2002 in which the two organizations made a commitment to establish Habitat Programme Manager positions in selected developing countries, with a focus on least developed countries, for the purpose of promoting the implementation of the UN-Habitat mandate and of strengthening inter-agency coordination at country level. The first Habitat Programme Manager positions were established in 2003, after which the initiative grew rapidly in 2004–2005 to its current strength of 36 Habitat Programme Managers, of which 22 are located in sub-Saharan Africa, four in the Arab States, six in Latin America and the Caribbean, and four in Asia and the Pacific.

8. The main aim of the Habitat Programme Manager initiative was to reduce serious constraints to the implementation of the UN-Habitat mandate resulting from its lack of substantive in-country presence. The present report briefly reviews the ways in which the Habitat Programme Manager programme is fully congruent with the UN-Habitat mandate as defined by General Assembly resolution 32/162 of 19 December 1977 (establishment of the United Nations Centre for Human Settlements) and further strengthened by General Assembly resolution 56/206 of 1 January 2002 (transforming the United Nations Centre for Human Settlements into a fully-fledged programme of the United Nations as UN-Habitat) and in line with the focus on in-country support in the current United Nations reform process.

B. Scope of the report

9. In accordance with the terms of reference for the evaluation, the report assesses the performance, effectiveness, added value and impact of the Habitat Programme Manager instrument in furthering the original UN-Habitat mandate in its two dimensions, normative and operational. More specifically, it analyses the extent to which the deployment of Habitat Programme Managers has helped in:

(a) Integrating human settlements issues in key multilateral programming instruments for national development;

(b) Promoting the global and normative mandate of UN-Habitat;

- (c) Supporting the operational activities of UN-Habitat;
- (d) Addressing cross-cutting issues common to the above.

10. In addition, the report reviews financial and administrative issues of the Habitat Programme Manager initiative and their impact on its efficiency.

11. The external evaluation was intended to be a forward-looking, lesson-learning exercise and, as such, yield findings that might be considered in the decision-making process by UN-Habitat and UNDP, the Governing Council and Committee of Permanent Representatives of UN-Habitat and other stakeholders. The final section of the report contains a summary of the main conclusions and recommendations.

C. Findings and lessons learnt

12. **General appreciation:** The assessment undertaken by the evaluation team is generally positive, highlighting the net benefits accrued to UN-Habitat, its national partners and the United Nations system at the country level through the deployment of Habitat Programme Managers. It notes how the Habitat Programme Manager initiative has significantly reduced the structural disadvantage inherent in the previous lack of UN-Habitat in-country representation. It further notes how the critical development issues pertaining to the UN-Habitat mandate have acquired higher visibility and more adequate reflection in national and multilateral agendas and how the ability of the organization to make a positive impact at the country level has been enhanced both normatively and operationally. It also highlights a set of relative weaknesses and constraints, which should be addressed as part of the extension of the initiative. The following sections summarize the evaluation findings for each of the key issues examined.

13. **Integrating shelter and urban poverty issues into multilateral programming instruments:** The evaluation team found that the deployment of Habitat Programme Managers has led to key urban development issues, which had previously often been sidelined or fragmented, being reflected in multilateral programming instruments in a much more coherent and structured way. The evaluation team reviewed the participation of Habitat Programme Managers in formulating these instruments, including Common Country Assessments, United Nations Development Assistance Frameworks and national poverty reduction strategy papers. The evaluation team found that, in most cases, Habitat Programme Manager participation has enhanced the profile of the UN-Habitat thematic areas. Habitat Programme Managers have been fully integrated in most of the inter-agency task forces charged with the formulation of these instruments. This substantive addition has been appreciated by United Nations Resident Coordinators and national sectoral agencies alike. The co-location of Habitat Programme Managers with UNDP has positively contributed to their ability to participate fully, as an integral part of the United Nations system, in programming exercises. In several of the countries reviewed, this has demonstrably provided the basis for future programme development (and resource allocation) in UN-Habitat key priority areas, as well as for inter-agency cooperation.

14. **Promoting the global and normative mandate of UN-Habitat:** In order to promote the normative mandate of UN-Habitat at country level, the Habitat Programme Managers must be efficient vehicles for the large number of global UN-Habitat programmes and must be able to mainstream and coordinate them. In all of the countries reviewed, several global programmes have invested in activities and made use of the Habitat Programme Managers (often contributing to meeting their cost) for a variety of tasks. These include the Global Campaign on Urban Governance, the Global Campaign for Secure Tenure, the Global Urban Observatory, the Urban Management Programme, the Sustainable Cities and Local Agenda 21 programmes, the Slum Upgrading Facility, the Water and Sanitation Programme and the Safer Cities Programme. The evaluation team found that the presence of Habitat Programme Managers has been instrumental in facilitating the introduction of global programmes to the country level, in increasing their activities and in providing programme supervision and coordination. Given the large number of global programmes, many Habitat Programme Managers have experienced problems in handling the multiple requests and demands on their time, and related to insufficient information on the specificity of each programme. In spite of these teething problems, activities relating to global programmes have set the basis for useful linkages between the normative and operational dimensions, and between the UN-Habitat Global Division and its regional offices.

15. **Supporting UN-Habitat operational activities:** Although the progress made by Habitat Programme Managers in developing an operational projects portfolio has been relatively slow, this is understandable due to:

- (a) The need to first build a normative constituency in programming instruments and among donors;
- (b) The need to acquire specific project formulation skills; and
- (c) Insufficient project development-related training of Habitat Programme Managers at inception of the initiative.

16. Within these limitations, the contribution of Habitat Programme Managers in enhancing the UN-Habitat project portfolio has been recognized by internal UN-Habitat evaluations carried out in at least 15 countries. The external evaluation team has noted meaningful achievements in all eight of the countries visited. The Habitat Programme Manager initiative has been beneficial in terms of strengthening the basis for operational projects. The regional offices for Latin America and the Caribbean, and for Asia and the Pacific, have both requested the deployment of additional Habitat Programme Managers in their regions; the Regional Office for Africa and the Arab States, responsible for the supervision of 26 Habitat Programme Managers, has experienced serious staff constraints. The importance of deploying Habitat Programme Managers is especially significant for operational activities, given the essential need to establish proximity with national partners and donors in project formulation and negotiation.

17. **Cross-cutting issues:** In its analysis of the work of the Habitat Programme Managers, the evaluation team noted that a strict distinction between normative and operational functions is not functional. Some of the most important successes achieved by Habitat Programme Managers have occurred when the development of operational projects has been guided coherently by prior normative advocacy (i.e., thematic integration in programming instruments) and substantive support to the UN-Habitat global programmes. These have often been instrumental in leading to operational project opportunities, several of which are supported by staff at headquarters in close collaboration with the relevant regional offices. Habitat Programme Managers have stimulated cooperation between global programmes as well as between themselves and regional offices (and their operational projects) by providing a single reference point for the national level. This has had a beneficial effect for national institutions, which find it easier to relate to the broad range of UN-Habitat programme activities through an in-country Habitat Programme Manager. In all of the eight countries reviewed in detail, there is now scope for UN-Habitat, based on the groundwork undertaken by the Habitat Programme Managers, to better define its strategy for each country as part of a collective effort between national sector agencies, regional offices and global programmes, clearly determining its goals and providing a coherent workplan for Habitat Programme Managers and blending normative and operational functions.

18. **Programme funding:** At present, the Habitat Programme Manager initiative represents an annual cost to UN-Habitat of \$1.65 million (which covers salaries and a modest - inadequate in the view of the evaluation team - operating budget). This is financed primarily from the core resources of UN-Habitat (Habitat and Human Settlements Foundation), given the predominately normative character of the work of Habitat Programme Managers, and also through global programmes and overhead resources generated by project implementation. Several promising examples of cash cost-sharing (by Governments and UNDP country offices) have been noted and it is to be hoped that similar examples will grow in significance. UNDP offices have generally provided in kind support (office space, utilities, support staff, equipment, transport), sometimes free of charge and sometimes at a fee for services, which has facilitated the operations of the Habitat Programme Managers. The contributions of global programmes to the salaries and operating costs of Habitat Programme Managers have been made in recognition of the resulting cost savings to those programmes in terms of missions from headquarters and recruitment of consultants. The same applies to the services provided by Habitat Programme Managers to regional offices in the formulation and support of project activities. When these savings are factored in, the resulting net cost to UN-Habitat is considerably reduced and, in the view of the evaluation team, fully justified in terms of the increased ability of the organization to fulfil its mandate in a large number of countries.

D. Summary of main conclusions

19. The evaluation team has gained a positive appreciation overall of the Habitat Programme Manager programme as it has significantly enhanced the ability of UN-Habitat to fulfil its mandate at the country level in support of governments and the United Nations system through the establishment of a substantive national presence at a comparatively limited cost per country. An increased potential now exists in most of the countries reviewed for current activities to be expanded into broader, more significant country programmes.

20. This potential could be maximized if the deployment of Habitat Programme Managers were followed by a consistent strategic programming effort by UN-Habitat. The evaluation team found that the initial generic terms of reference for Habitat Programme Managers were unable to reflect the specificity of national situations and could not, therefore, adequately define strategic goals in each country concerned. A consolidated programming effort at country level, based upon past and current normative and operational work, including the definition of strategic goals and expected results, would better address national priorities for UN-Habitat and would enable Habitat Programme Managers to operate within a clear planning framework.

21. Several constraints and inadequacies impinge on the effectiveness of Habitat Programme Managers, namely:

(a) **Inadequate operating budget:** the annual amount (\$5,000) provided by UN-Habitat is insufficient. While a number of Habitat Programme Managers have been successful in augmenting the amount through cash or in kind cost-sharing by national partners, many Habitat Programme Managers continue to suffer serious financial limitations in operational terms;

(b) **Insufficient training:** Habitat Programme Managers received induction training, but this did not cover the full range of skills and information required, especially in crucial areas such as project development and management;

(c) **Unequally distributed responsibility for support of Habitat Programme Managers:** Regional offices have been logically mandated to supervise Habitat Programme Managers, but this has generated a serious capacity constraint in the Regional Office for Africa and the Arab States (which supports 26 out of the total number of 36 Habitat Programme Managers).

22. In terms of funding arrangements, the evaluation team endorses the decisions of the Governing Council reflected in resolution 20/15 and in the approved UN-Habitat work programme and budget for 2006–2007, that the Habitat Programme Manager initiative, given its pre-eminently normative character, should be financed primarily through the general purpose Habitat and Human Settlements Foundation resources. The current allocation is sufficient to cover a significant critical mass of Habitat Programme Managers. Promising examples of cost-sharing by partners provide a positive potential to be explored further. Global programmes and operational projects have contributed significantly to supporting the cost of Habitat Programme Managers, but formulas for their contributions need to be defined more transparently and systematically as part of an organization-wide strategic programming exercise for each country. UNDP has generally been helpful in providing office space and support services, either as in-kind contributions or on the basis of fees for services.

23. With regard to country selection and future programme expansion, the evaluation team found that the selection of countries for Habitat Programme Manager deployment has not always been based upon an analysis of “value” in terms of scope for bringing about policy change and for developing operational programmes. This must be addressed in future programme development. The need to reduce the current geographical imbalance has also been noted. The introduction of country programme documents clearly defining the scope of work and planned results could also form the basis for an exit strategy from countries where results fail to materialize.

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

E. Principal recommendations

25. The following summarizes the principal recommendations of the evaluation team:

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

(b) **The identification of additional countries for Habitat Programme Manager deployment** should be based on an assessment of comparative “value” expressed through the perceived potential for policy change, government commitment and scope for operational programme development. New deployment should be carried out with a view to reducing the current regional imbalance;

(c) **More systematic and comprehensive training support** should be given to Habitat Programme Managers, i.e., introducing modules on project development and management. Habitat Programme Manager supervision should continue to be led by regional offices, but a greater supporting role for global programmes should be introduced in countries where they are active;

(d) **The Habitat Programme Manager initiative should continue to be funded primarily through the Habitat and Human Settlements Foundation general purpose allocations,** given the pre-eminent normative significance of the work of Habitat Programme Managers. To lessen recurrent costs for the Foundation, efforts should continue to enhance parallel funding mechanisms such as cost-sharing by national partners and UNDP, contributions by global programmes (which ought to be made more systematic and transparent) and support from the budget lines of operational projects;

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

(f) **The memorandum of understanding between UN-Habitat and UNDP should be reviewed and extended** as a political instrument to facilitate new cooperation and cost-sharing agreements with UNDP country offices.
