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

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Executive summary

A. Background and origin

1. The present report describes the external evaluation of the performance and impact of United Nations Human Settlements Programme (UN-Habitat) programme managers (Habitat Programme Managers), requested by the UN-Habitat Governing Council in its resolution 20/15. The evaluation team, consisting of Mr. Roberto Ottolenghi and Mr. Emiel Wegelin, has analysed the impact of Habitat Programme Managers in the countries where they have been deployed, through methods including:

(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, a self-assessment by Habitat Programme Managers and an 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).

2. 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.

3. The main aim of the Habitat Programme Manager initiative is 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 initiative 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 Commission on 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

4. 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 initiative 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.

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

6. The external evaluation was intended to be a forward-looking, 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 the Committee of Permanent Representatives of UN-Habitat

and other stakeholders. The final chapter of the report contains a summary of the main conclusions and recommendations.

C. Findings and lessons learned

7. **General:** 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 within the UN-Habitat mandate have acquired greater 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 paragraphs within this section summarize the evaluation findings for each of the key issues examined.

8. **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 collocation 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.

9. **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 handling the multiple requests and demands on their time, and 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.

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

11. 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.

12. **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 tenable. 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 and between themselves and regional offices (and their operational projects) by providing a single reference point at 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 define its strategy for each country better 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.

13. **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

14. The evaluation team has gained a positive appreciation overall of the Habitat Programme Manager initiative 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.

15. 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.

16. 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 receive induction training, but this does 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).

17. 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.

18. 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.

19. 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

20. 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 countries where Habitat Programme Managers have been deployed for two years or more. These country programme documents should express an interdivisional common strategy, comprising both normative and operational activities, in coordination with national partners, and indicate strategic objectives and expected results and 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.

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I. Introduction

A. Background and origin

1. The United Nations Human Settlements Programme (UN-Habitat) is mandated by the United Nations General Assembly to promote, monitor and report on progress in the implementation of the Habitat Agenda. UN-Habitat is also responsible for United Nations Millennium Declaration targets on slums, water and sanitation. In implementing its mandate, UN-Habitat is guided by the General Assembly and its subsidiary organs, which include the Governing Council of UN-Habitat and the Committee of Permanent Representatives to UN-Habitat. UN-Habitat works with Governments, local authorities, non-governmental organizations, the private sector and other agencies in promoting sustainable urbanization and the reduction of urban poverty. Its work involves normative and operational aspects, knowledge- and capacity-building, monitoring advocacy and partnership-building, undertaken at the global, regional, national and local levels since its establishment as the United Nations Centre for Human Settlements (Habitat) in 1977.

2. Following the first United Nations Conference on Human Settlements, held in Vancouver in 1976, by its resolution 32/162 of 19 December 1977 the General Assembly established the United Nations Centre for Human Settlements, the status, role and functions of which were strengthened by resolution 56/206 of 26 February 2002, which transformed the Centre into the United Nations Human Settlements Programme (UN-Habitat). By resolution 32/162, the organization was entrusted with a two-fold mandate, global, as focal point for international cooperation in the field of human settlements, “promoting an integral concept of and comprehensive approach to human settlements”, and national, with the mandate to “assist countries in increasing and improving their own efforts to solve human settlements problems” and to “execute human settlements projects”.

3. This was reiterated by the General Assembly in 2002 when it transformed the Centre into a Programme of the United Nations system, which, in global terms, emphasized the role and importance of the implementation of the Habitat Agenda (the adopted outcome of the second United Nations Conference on Human Settlements, held in Istanbul, Turkey, in June 1996). In national terms, it urged the involvement of UN-Habitat in particular in the context of common country assessments and the United Nations development assistance frameworks and also the poverty reduction strategy papers preparatory process led by the World Bank and the International Monetary Fund. The latter are the main multilateral instruments for development cooperation and programming at the country level to which all United Nations organizations are expected to provide an enhanced contribution for the sake of more coherent efforts.

4. In order for UN-Habitat to implement its mandate at the national level (in addition to promoting the relevant Millennium Development Goals and the Habitat Agenda), the need emerged to ensure better representation of the organization at the country level. In consequence, UNDP and UN-Habitat signed a memorandum of understanding in October 2002, in which they committed to the establishment of positions of Habitat Programme Managers in selected developing countries, with a focus on least developed countries. In the memorandum of understanding, it was envisaged that this would happen on a pilot basis and in support of the overall United Nations policy on inter-agency cooperation at the country level. The General Assembly welcomed the Habitat Programme Manager initiative in its resolution 57/275 of December 2002 and called upon UN-Habitat to continue to work closely with other organizations of the United Nations system.

5. At its twentieth session, held in Nairobi, Kenya, in April 2005, the Governing Council of UN-Habitat expressed, through its resolution 20/15, its support to the Habitat Programme Manager initiative in response to General Assembly resolution 59/250 of 17 December 2004, in which the Assembly invited “the Governing Council of all United Nations organizations to consider means to strengthen their country-level capacities”. UN-Habitat Governing Council Resolution 20/15 further requested the Executive Director of UN-Habitat to “strengthen regional presence...in the framework of the current United Nations reform process”, reaffirmed the “synergy between operational and normative functions”, stressed that “all activities of UN-Habitat, including Habitat Programme Managers, must be aligned with host country’s national development strategies and plans” and expressed that Habitat Programme Managers “should be sustainably funded” through a combination of financing mechanisms.

B. Programme description

6. Habitat Programme Managers are recruited locally by UN-Habitat and generally posted within the UNDP structure (some are working from a government department base). Generic terms of reference for Habitat Programme Managers have been prepared as a template to be reviewed and amended in accordance with the specific needs of each country. Recruitment of Habitat Programme Managers is participatory and involves UN-Habitat, UNDP and focal point ministries in the Government, and civil society representatives in the case of countries in Latin America and the Caribbean. The Habitat Programme Managers have generally been offered a one-year fixed-term renewable national officer contract through UNDP, although some have been recruited on a special services contract basis.

7. As of October 2006, 36 Habitat Programme Managers have been deployed, of whom 22 are located in sub-Saharan African countries, four in the Arab States, six in Latin America and the Caribbean, and four in the Asia and Pacific region.¹ They are tasked to mainstream urban development and shelter issues in country-level activities of the United Nations system such as the above-mentioned common country assessments, United Nations development assistance frameworks and poverty reduction strategy papers. They are also charged with the promotion of the UN-Habitat global and normative mandate, programmes and campaigns, supporting operational activities of UN-Habitat at the national and local levels and identifying areas of cooperation.

C. Evaluation approach

8. The purpose of the independent evaluation was to assess the performance, effectiveness, relevance, added value and impact of Habitat Programme Managers in mainstreaming urban development and human settlements issues in country-level activities. The evaluation was intended to be a forward-looking, lesson-learning exercise and to yield findings that could be incorporated into the decision-making process by UN-Habitat and UNDP, the governing bodies of UN-Habitat and other stakeholders. It has been evaluated as a programme, rather than as a collation of staff performance reviews. The evaluation comprises a review of lessons learned and makes recommendations for strengthening the overall performance of the initiative and supporting country-level activities.

9. The external evaluation was carried out by two international individual consultants, Mr. Roberto Ottolenghi and Mr. Emiel Wegelin, during June–October 2006. The external evaluation was preceded by an internal evaluation, based on self-assessments by the Habitat Programme Managers and assessments undertaken at UNDP and UN-Habitat headquarters, which were synthesized in a UN-Habitat report presented to the Committee of Permanent Representatives in May 2006. The external evaluation is based on:

- (a) A desk review of pertinent documentation (in particular the self-assessments by Habitat Programme Managers and the assessments by regional offices, UNDP offices and UN-Habitat headquarters);
- (b) Structured interviews with selected strategic resource persons;
- (c) Evaluation missions to eight developing countries for the purpose of in-depth operational assessments of work undertaken by the Habitat Programme Managers concerned.

1. Desk review and interviews with resource persons

10. The desk review focused primarily on the report on the internal evaluation of Habitat Programme Managers as presented to the Committee of Permanent Representatives in May 2006, which comprises the output of the self-assessments of the Habitat Programme Managers (32 out of the 36 deployed), and the assessment by regional offices, UNDP offices and UN-Habitat headquarters. The internal evaluation focused on the assessment of contributions made by Habitat Programme Managers to their three main areas of work:

- (a) Integrating shelter and urban poverty issues into the United Nations development assistance frameworks and national poverty reduction strategy papers;

¹ In 2003, seven Habitat Programme Managers were deployed, in 2004 this increased to 26 and in 2005 to 35. In the course of 2006, one more Habitat Programme Manager was added (in Papua New Guinea), bringing the total number to 36, and the number in the Asia Pacific region to four.

- (b) Promoting the global and normative mandates of UN-Habitat;
- (c) Supporting the operational activities of UN-Habitat at the national and local levels.

11. In addition, the internal evaluation assessed administrative and financial arrangements and relationships that affect the work of Habitat Programme Managers.

12. The consultants reviewed the internal evaluation report in order to validate its findings, going back to its source data from the 32 Habitat Programme Managers and UNDP offices, as required.

13. The interviews with selected resource persons (other than those in the eight countries targeted for field visits) were also based on validating the report findings and focused, therefore, on the views of the resource persons vis-à-vis the conclusions of the report. The interviews with some resource persons also addressed the history and gradual emergence of the Habitat Programme Manager initiative (i.e., including selection of countries, phasing and funding).

14. The interviews with resource persons was not limited to the current strengths and weaknesses of the Habitat Programme Manager initiative, but also addressed possible ways and means of improving its performance.

2. Country reviews

15. Reflecting the current pattern of deployment of Habitat Programme Managers, country reviews were carried out in three African countries (Mozambique, Nigeria and Senegal), one Arab State (Egypt), two Asian countries (the Philippines and Sri Lanka) and two Latin American countries (Colombia and Mexico). The sample of these countries was selected by UN-Habitat on the basis of the regional and subregional spread of countries in which there had been a resident Habitat Programme Manager for at least two years (in order to ensure that sufficient operational experience had been generated to make such an in-depth review worthwhile). The country reviews addressed the same blocks of work as the internal evaluation but in a more in-depth manner and included a review with partner groups (concerned government departments, local government, non-governmental organizations and private sector entities, as appropriate), UNDP, selected United Nations organizations and other multi- and bilateral support agencies in each country, as deemed relevant.

16. The reviews with partner groups had a broad focus and also addressed the relevance and added value of Habitat Programme Managers to country needs and policies and their effectiveness in addressing these. In addition, the country review addressed the relevance and added value of Habitat Programme Managers to UNDP and other partner and donor policies, and their effectiveness in generating cooperation initiatives.

17. The country reviews were not limited to an assessment of the strengths and weaknesses of the current Habitat Programme Manager initiative in each country, but also addressed possible ways and means of improving its in-country responsiveness and performance. At the end of each country review, a debriefing was conducted with the United Nations Resident Coordinator and the Habitat Programme Manager, supported by a brief report prepared by the consultant, which summarized the salient findings of the review by way of an aide-memoire (these reports are available from UN-Habitat on request).

3. Report structure

18. The present consolidated final evaluation report summarizes the findings and lessons learned as perceived by the external evaluation team and provides recommendations to UN-Habitat, UNDP and other partners on how the operation of the initiative could be improved. The report reviews these aspects in turn for each of the three main areas of the Habitat Programme Manager terms of reference, for the administrative and financial arrangements and relationships that affect the work of the Habitat Programme Managers and ends with a summary of the main conclusions and recommendations.

II. Findings, lessons learned and recommendations

A. Integrating shelter and urban poverty issues into United Nations development assistance frameworks and national poverty reduction strategy papers

1. Findings

19. The Habitat Programme Managers have all made considerable efforts to integrate shelter and urban poverty issues into the United Nations common country assessments, United Nations development assistance frameworks, national poverty reduction strategy papers and other country-level United Nations inter-agency and donor coordination mechanisms as anticipated in clause 3 of the UNDP and UN-Habitat memorandum of understanding of 30 September 2002. In all applicable cases, this has led to the profiles of the UN-Habitat thematic areas being raised in strategic planning tools, including national documents such as Millennium Development Goal strategies. It has also led to increased opportunities for joint programming and joint project development for UN-Habitat with other United Nations organizations in the context of the development assistance frameworks.

20. On the whole, United Nations Resident Coordinators have found that the participation of Habitat Programme Managers in the preparatory exercises for the common country assessments and development assistance frameworks has been helpful in ensuring that shelter and urban poverty issues were highlighted and discussed, and in enhancing inter-agency coordination. The effectiveness of implementation of this part of the terms of reference has been adversely affected by various factors, as follows:

(a) In the majority of countries, Habitat Programme Managers have not formally been included as official members of the United Nations country team in view of the fact that the team is supposed to consist of country representatives of United Nations organizations, which is often interpreted as being international staff members with formal representation status. The country team thus composed generally deals with a very broad range of common issues and only marginally with unified development support programming issues that are intended to be targeted by the memorandum of understanding and that are the responsibility of substantive inter-agency task forces. The evaluation team observed that this formal limitation has not significantly impaired the ability of the Habitat Programme Managers to make a recognized contribution in the country task forces for the common country assessments and development assistance framework exercises, as long as their input was clearly endorsed by the Resident Coordinator. This was the case in all of the countries visited by the evaluation team and resulted in positive outcomes, notably, more adequate reflection of human settlements issues in programming instruments.

(b) In some middle-income countries (e.g., certain Latin American countries), common country assessments, development assistance frameworks and poverty reduction strategy exercises are accorded less priority by Governments than elsewhere, due to the very limited external resources made available through these programming instruments. Habitat Programme Managers have made significant contributions, however, to policy debate and sectoral strategy formulation through other mechanisms. This has been the case in Colombia and Mexico, where, in the current absence of common country assessments or development assistance frameworks, Habitat Programme Managers have acquired a prominent role in broad inter-institutional Government policy forums.

(c) In some countries, programming exercises, such as common country assessments and poverty reduction strategies, have yet to be undertaken. For example:

- (i) There is no poverty reduction strategy paper in existence in the Philippines, because an elaborate anti-poverty strategy has already been developed by the Government;
- (ii) In Sri Lanka, the common country assessment and development assistance framework exercises were delayed in the aftermath of the tsunami. The Habitat Programme Manager participated fully and productively in the assessment and is expected to do so in the forthcoming development assistance framework;
- (iii) Common country assessments and development assistance frameworks are due to be prepared next year in Colombia and Mexico with the expected participation of Habitat Programme Managers;

(iv) In Nigeria, the Development Assistance Framework was completed prior to the deployment of the Habitat Programme Manager. The Habitat Programme Manager will participate in the next preparation cycle starting in early 2007.

(d) Co-location with UNDP has contributed positively to the ability of Habitat Programme Managers to participate effectively in the common country assessment and development assistance framework exercises as they are considered to be part of the internal UNDP network, in contrast to (larger) specialized United Nations organizations, which have their own separate country offices.

(e) Compared to other larger organizations which bring their own financial resources to development assistance framework exercises, Habitat Programme Managers have only been able to contribute their substantive knowledge, advocacy and information on the UN-Habitat normative and operational tools available to support national policies and programmes. Miracles should not be expected, therefore, with regard to the subsequent downstream joint programme and project development where resource mobilization remains a major constraint.

21. The general picture observed in the countries visited by the evaluation team is that the presence of Habitat Programme Managers has succeeded in placing UN-Habitat issues on the development agenda. This has, to a large extent, remedied the disadvantage suffered previously by UN-Habitat (as compared to larger United Nations organizations) due to its lack of in-country representation, which had led to protracted programming disagreements between UN-Habitat and UNDP country offices. The positive changes in the elaboration of programming instruments resulting from the in-country presence of Habitat Programme Managers have effectively ended this discord and are seen as the necessary prerequisite to allow for any subsequent resource allocation to operational programmes formulated by UN-Habitat.

2. Lessons learned

22. The most important positive lesson learned is that providing Habitat Programme Managers with a mandate endorsed by the United Nations Resident Coordinator to participate in the common country assessment and development assistance framework preparatory exercises has definitely had a positive impact on the extent to which UN-Habitat themes have been reflected in those strategic planning tools. The development assistance framework matrix sets out United Nations development support lines of action, but stops short of activity programming or project preparation. This element in the scope of work of the Habitat Programme Manager (while generally not immediately leading to an increased level of operational activities to be managed by UN-Habitat) has proven useful and should be maintained as it produces important benefits in terms of higher visibility and greater understanding among fellow United Nations organizations of UN-Habitat issues and the organization's ability to deal with them. The translation of development assistance framework priorities into concrete operational support activities generally requires further programming and project preparation efforts on the part of the Habitat Programme Manager and the regional office concerned (see section C of the present chapter below).

23. The second lesson learned is that a good deal of persuasion has often been necessary to convince Resident Coordinators of the added value of the participation of Habitat Programme Manager in the strategic planning exercises. This has required the support of the UN-Habitat Regional and Technical Cooperation Division, regional offices and sometimes senior management at headquarters. Once Resident Coordinators have understood the benefits for the system and for UNDP, Habitat Programme Managers have been able to operate quite freely and develop strategic alliances within the United Nations family and beyond.

24. The third lesson is that sectoral government agencies dealing with urban issues have benefited and generally appreciated the contribution made by Habitat Programme Managers, which has often resulted in introducing their priority concerns in a coherent and strategic way in overall programming frameworks for development.

25. Fourth, this part of the assignment was generally more successful in cases where the Habitat Programme Manager was a senior figure, respected by his peers within the United Nations system and in government.

26. Finally, experience has shown that Habitat Programme Managers with service contracts have not always been well recognized. In order to allow their effective participation in strategic planning discussions, Habitat Programme Managers should be hired as national United Nations staff to emphasize that they are part of the United Nations family. Recruitment of Habitat Programme Managers on service contracts should only take place in exceptional circumstances.

3. Recommendations

27. The first and most obvious recommendation is that Habitat Programme Managers should continue to participate in the development of strategic collaborative frameworks. Second, where opportunities exist for joint programming of activities with other United Nations organizations emanating from the approved development assistance framework, this should be vigorously followed up on by the Habitat Programme Manager with the support of the regional office concerned. There are distinct opportunities for this in several of the countries visited by the evaluation team, including in Egypt, Mozambique, the Philippines and Senegal, while in Sri Lanka, the preparation of the Development Assistance Framework based on the completed Common Country Assessment holds similar promise. In Colombia and Mexico, the serious ground-work carried out by Habitat Programme Managers at policy level is expected to produce similarly positive results. Third, where the development assistance framework provides sufficient rationale, a multi-year UN-Habitat country programme should be developed within the framework based on the strategic developmental lines identified.

28. It must be recognized, however, that the above-mentioned activities will not provide a suitable strategy in all countries. For middle-income countries, it may often be more rewarding for the Habitat Programme Manager to associate with and support priority housing and urban development strategies developed by the government (such as village and small towns strategic planning in Egypt) and elaborate a pipeline of projects based on that.

B. Promoting the global and normative mandate of UN-Habitat

1. Findings

29. The evaluation team found that all Habitat Programme Managers have attempted to promote the normative mandate and global programmes of UN-Habitat and that they all understand this to be a core element of their terms of reference. Out of the three major elements contained in the terms of reference, this part has been the least well-defined and the most subject to local interpretation. It is also an area where the Habitat Programme Managers cannot operate independently effectively without the strong support of the regional offices and UN-Habitat headquarters, in particular, the Global Division and the Monitoring and Research Division.

30. In a number of cases, Habitat Programme Managers have supported in-country launches of campaigns on urban governance and security of tenure. Due to operational constraints, however, high-profile launches could only take place in a limited number of countries.

31. In some cases, the Habitat Programme Manager clearly did not have enough information to begin the local operationalization of global initiatives, such as campaigns on urban governance and secure tenure and the Global Urban Observatory, on their own. This was caused in part by their limited knowledge of the substance of these initiatives and where to find operational guidelines, and in part because the global campaign units at UN-Habitat headquarters have not engaged the Habitat Programme Managers sufficiently, partly as a result of staffing and funding constraints at headquarters.

32. Similar issues have affected the relationship of Habitat Programme Managers to the Global Urban Observatory. There has been fairly intensive interaction between the Observatory and Habitat Programme Managers in eight countries with significant positive examples of the added value of cooperation. The same applies to the training and capacity-building initiatives supported by the Training and Capacity Building Branch, which has interacted with 23 out of the 36 Habitat Programme Managers deployed to date.

33. Supportive interaction has been easier with global programmes such as the Urban Management, Sustainable Cities and Local Agenda 21 programmes, the Slum Upgrading Facility and the Water and Sanitation Programme, all of which have a higher operational content and core programme resources that can be brought to bear in developing in-country activities. Collaboration with those programmes (in particular, the first four mentioned above) has been positive and has demonstrated how global normative messages can be articulated and operationalized through local activities. Such collaboration has also helped to engage UNDP and other partners in specific activities and has leveraged cost sharing for such activities.

34. Several Habitat Programme Managers have, independently of UN-Habitat campaigns and global programmes, collaborated intensively with national sector agencies to develop policy and legislative initiatives (e.g., support for modifications in spatial planning laws in Egypt and Nigeria, and for the operationalization and application of the law on territorial development in Colombia) as a strategic entry

point to articulate the normative mandate of UN-Habitat selectively. These efforts have generally been well appreciated as substantive inputs, responsive to demand and, in the view of the evaluation team, should be considered as major positive initiatives in articulating the normative contribution of UN-Habitat at national level and deserving of more significant substantive support from UN-Habitat headquarters.

35. The Habitat Programme Managers have all routinely supported the preparation and implementation of World Habitat Day, which has been the single most used platform for normative advocacy. Habitat Programme Managers have selectively used the media and special events, such as the biennial presentation of the Dubai International Award for Best Practices to Improve the Living Environment, for advocacy. Habitat Programme Managers have also supported the participation of their countries in relevant international events, including meetings of the Commission on Sustainable Development and the World Urban Forum. Only in a few instances have Habitat Programme Managers worked with national UN-Habitat committees on a continual basis, as these committees are generally seen as ad hoc arrangements for the purpose of periodic reporting on the implementation of the UN-Habitat agenda in the country concerned. In the view of the evaluation team, the existence of such routine mechanisms could be utilized more effectively to articulate the global mandate of UN-Habitat.

36. The work of the Habitat Programme Managers in this normative area has inadvertently been made more difficult due to the combined disincentives of the lack of operational resources at their disposal and the pressure upon them to develop operational projects within a short period. This has effectively meant that the normative mandate of UN-Habitat in a number of cases has not been given the emphasis and recognition it clearly deserves in the Habitat Programme Manager scope of work. As noted below in section D of the present chapter, better results seem to have been obtained when, rather than seeing normative and operational work as conflicting requirements, operational project development was based upon the development of a strong normative argument and constituency at country level.

2. Lessons learned

37. Promoting the global and normative mandate of UN-Habitat at country level is a complex task for which the Habitat Programme Managers are not intrinsically well-equipped. In order to address this effectively, a high level of proactive support from headquarters and the regional offices is required. In some cases, Habitat Programme Managers have been conditioned by the understandable preoccupation with generating projects and related overheads, while campaigns and the Global Urban Observatory have only been able to provide limited support, given their human and financial resource constraints. One of the main lessons learned, therefore, is that the support of global programmes, which seems to have been quite effective, might be used more strategically to contribute to the overall normative objective and as part of a more clearly articulated common strategy in each country between the Global Division, the Monitoring and Research Division and the regional offices.

38. The limited core operational budgets available for Habitat Programme Managers has had an adverse impact on the rather imprecisely defined block of normative support work they are required to undertake. Such work offers only very limited opportunities to generate resources from other sources, especially at times of overload in terms of demands on the time of Habitat Programme Managers.

39. As a result of the two above-mentioned factors, the aspect of Habitat Programme Managers' terms of reference pertaining to the promotion of the global and normative mandate of UN-Habitat has been insufficiently implemented in some countries. The support of Habitat Programme Managers to common country assessments and development assistance frameworks (discussed above in section A, subsection 1 of the present chapter) clearly has a very high normative content, while a number of operational activities generated by the Habitat Programme Managers (see section C, subsection 1 of the present chapter) also have a high normative policy content. It seems, therefore, that the distinction made between normative and operational support work is often more artificial than real (see section D of the present chapter).

40. Habitat Programme Managers have often not been able to develop their own capacity and skills to an adequate level of understanding of the normative issues and UN-Habitat approaches adopted to enable them to conduct independent advocacy activities effectively. Continued capacity-building in this area is required, therefore, through awareness-raising, improved information and communication, and additional training for Habitat Programme Managers.

3. Recommendations

41. The evaluation team recommends that the normative support activities to be undertaken by Habitat Programme Managers should be better defined and formulated in terms of specific activities to be conducted as part of a biennial country-specific Habitat Programme Manager workplan. The workplan, to be approved by the Executive Director through the regional offices, should also specify the support required from the regional offices and headquarters for each activity (see section D, subsection 3 of the present chapter).

42. The Habitat Programme Manager initiative needs to be endowed from UN-Habitat core resources with basic operational support outlays to cover the costs of conducting meetings, undertaking media campaigns, travel and other local support activities required for this normative work that intrinsically comprises non-revenue earning activities for which it is difficult to tap other sources of funding legitimately.

43. A structured programme of capacity-building for the Habitat Programme Managers should be formulated and implemented under the direction of headquarters with a strong focus on the normative mandate of UN-Habitat. The capacity-building programme should comprise induction training, continual global programme exposure and periodic refresher courses or seminars.

C. Supporting the operational activities of UN-Habitat at the national and local levels

1. Findings

44. From its inception, the Habitat Programme Manager initiative was intended to be an instrument that would enhance the ability of UN-Habitat to meaningfully perform its mandate as the executing agency of development projects in the thematic area of human settlements, delivering technical assistance and programme support to Governments.

45. Engaging rapidly and productively in systematically developing operational activities has proved hard for most of the Habitat Programme Managers. In part this has been due to the disadvantage that UN-Habitat has faced since its inception in 1976, relative to other United Nations organizations, of operating without an in-country presence. As a result of recent changing trends in international cooperation, this limitation has become an increasingly serious negative factor. These trends can be briefly summarized as follows:

(a) The drastic curtailing of funds for development made available to the United Nations has affected all developing countries, with the partial exception of least developed countries, and has greatly reduced the ability of United Nations organizations, including UN-Habitat, to access external resources to assist Governments in operational development programmes.

(b) Prior to the deployment of Habitat Programme Managers, the lack of continuous and meaningful participation by UN-Habitat in the in-country formulation of crucial United Nations programming instruments, such as the common country assessments and development assistance frameworks, meant that human settlements issues were not reflected adequately in development priorities and subsequent resource allocation for multilateral and bilateral country programmes.

(c) As a result, urban issues have often been addressed in a fragmented manner by those United Nations organizations with in-country representation and complex issues including urban governance and management reform, decentralization and municipal development, land management and housing policies, have often been overlooked. Funding allocation has generally not reflected sector needs.

(d) UNDP, under the label of “governance” and based on a relatively recent provision which allows it to execute operational projects directly, has often occupied the technical space related to the mandate of UN-Habitat. This has meant that national and local institutions have felt cut off from the specialized policy-oriented expertise available from UN-Habitat.

46. These gaps have been felt acutely at the national and local government levels by UN-Habitat’s traditional partners. It was not surprising, therefore, that the evaluation team found that national partners in government and civil society were enthusiastically supportive of the Habitat Programme Manager initiative, which was seen as a much needed step towards giving human settlements issues due recognition and development priority and mobilizing resources accordingly.

47. Another limiting factor in the engagement of Habitat Programme Managers in operational activities has been the lack of sufficient and specific training for a complex and demanding task, which requires expert supervision along a fairly extensive learning curve. Supervision and guidance to Habitat Programme Managers are provided by international human settlements officers in Regional and Technical Cooperation Division regional offices (the Regional Office for Africa and the Arab States is currently responsible for 26 Habitat Programme Managers, the Regional Office for Latin America and the Caribbean for six and the Regional Office for Asia and the Pacific for three).

48. The regional offices for Latin America and the Caribbean and for Asia and the Pacific have repeatedly expressed an interest in deploying additional Habitat Programme Managers in countries of crucial strategic importance to assist in the development of pipeline project initiatives. The Regional Office for Africa and the Arab States, with by far the largest number of Habitat Programme Managers to supervise, has experienced a capacity constraint, especially after the rapid growth in number of Habitat Programme Managers in 2004 and this requires specific support mechanisms (see section C, subsection 3 of the present chapter).

49. In spite of the above-mentioned constraints, the contribution made by Habitat Programme Managers, in collaboration with international staff from regional offices, to the formulation of operational projects, has been recognized by UN-Habitat (see the internal evaluation report of May 2006) and confirmed by the external evaluation team with respect to the countries it visited, namely Burundi, Burkina Faso, Egypt, Madagascar, Mozambique, Nigeria, Rwanda, Senegal and Sierra Leone (Regional Office for Africa and the Arab States); Colombia, Ecuador and Mexico (Regional Office for Latin America and the Caribbean); Indonesia, the Philippines and Sri Lanka (Regional Office for Asia and the Pacific). The evaluation team considers this to be an acceptable result in view of the fact that Habitat Programme Managers have had an average of no more than two years from the date of their recruitment (the majority of Habitat Programme Managers were recruited from mid- to late-2004 onward) to develop an operational portfolio. Considering the long lead time generally required in project development and resource mobilization, such a short time frame would not always allow for the conception, formulation and approval of project initiatives.

50. New project development cannot be attributed solely or predominantly to Habitat Programme Managers. The development of an operational project at country level usually results from the combined efforts of Human Settlements Officers in regional offices, UN-Habitat international experts and consultants who may be posted in or sent on formulation missions to the country, and often headquarters staff of global programmes in conjunction with the Habitat Programme Manager. Management and supervision of all these inputs and guidance to Habitat Programme Managers by regional offices is, therefore, crucial.

2. Lessons learned

51. In assessing the extent to which the presence of Habitat Programme Managers has contributed to the development of operational project initiatives and to the support of current projects by UN-Habitat, the overall appreciation of the evaluation team is positive with some qualifications.

52. First, positive trends are visible and significantly more positive where the normative-operational linkage has been successfully established (see section D of the present chapter). Portfolios of pipeline projects have been strengthened and some have already been approved in countries where there were none prior to the deployment of a Habitat Programme Manager. This strengthens the view that the deployment of Habitat Programme Managers should be seen as an investment that requires ample time to produce results.

53. Second, additional training is clearly required to ensure that Habitat Programme Managers can perform the complex and difficult role of spearheading operational projects. In this respect, the induction training given to Habitat Programme Managers, which covered a wide range of issues that were mostly related to the UN-Habitat mandate and programmes, was insufficient and could usefully be supplemented by training modules on project formulation, project administration and financing. This might be handled at regional level, as undertaken by the Regional Office for Latin America and the Caribbean for its Habitat Programme Managers. If this were done systematically, the need for guidance and supervision from regional offices on operational activities would also decrease over time.

54. Third, promising operational results at the country level testify to the potential of the Habitat Programme Manager initiative in a broad variety of countries with different available funding sources. This demonstrates that the instrument may work well across the board, from least developed countries, where UNDP and bilateral funding is still available, to middle-income countries where funding would be available almost only from domestic resources. In the latter category, it is quite evident that the

Habitat Programme Manager initiative has made a very significant difference, as shown by relevant examples in Colombia, Egypt, Mexico and Nigeria (only citing countries which were visited by the evaluation team), where projects have been formulated (already approved or in the process of approval) to be financed through the budgets of government institutions, which explicitly value the possibility of receiving UN-Habitat technical and managerial support in their programmes and are willing to pay for it. The Habitat Programme Managers have played a key role in helping to reverse a negative situation for UN-Habitat in all these countries.

55. Of particular note has been the role of the Habitat Programme Managers in the countries affected by the tsunami of December 2004. Their presence enabled UN-Habitat to respond quickly to the emergency and the reconstruction support needs articulated by Governments, local communities and the international assistance community. In both Indonesia (not visited by the evaluation team) and Sri Lanka, the impact of the UN-Habitat response was very significant, not only in terms of the shelter reconstruction investment programmes worth \$15–20 million that it handled in each country, but also in qualitative terms as it helped to formulate reconstruction policies and programmes and new cooperation partnerships, including with the Asian Development Bank in Indonesia and the International Federation of Red Cross and Red Crescent Societies in Sri Lanka.

56. Fourth, in all of the countries where they are deployed, Habitat Programme Managers are performing a useful role in supporting the implementation of current operational projects. This role ranges from very substantial in-country coordination with technical advice, especially in places where no international staff are located permanently as part of project teams, to a facilitation role in the wide array of organizational and administrative functions required by operations and as liaison between Governments, UNDP field offices and UN-Habitat regional offices and headquarters. In all cases it has been found to be a useful service resulting in faster delivery and cost savings.

57. Finally, the issue of capacity constraint experienced by the Regional Office for Africa and the Arab States in terms of supervision requirements for a large number of Habitat Programme Managers must be addressed as part of the overall Habitat Programme Manager mandate and not just in its operational component by establishing better synergies at headquarters between the Regional and Technical Cooperation Division and the Global Division in the management of Habitat Programme Managers (see section D of the present chapter).

3. Recommendations

58. The evaluation team feels strongly that changing trends in development cooperation, project financing and execution modalities make it imperative for an executing agency like UN-Habitat to establish closer proximity to its intended national operational partners. The in-country presence of Habitat Programme Managers is, therefore, potentially highly beneficial. The recommendations set out below are intended to enhance the ability of the organization to capitalize on this potential.

59. The evaluation team considers that additional Habitat Programme Managers should be placed in countries where the strategic benefits of doing so are significant in terms of potential operational activities. In this regard, the focus might be well-placed on developing and middle-income countries where the challenge of urbanization has evoked positive government policy responses that need to be translated into operational capacity-building and investment programmes (clear examples include the People's Republic of China and India).

60. Given the trial and error start of the initiative, its rapid growth in 2004, and the structural lead-time inherent in developing programmes and projects, it is not surprising that discrepancies have emerged in performance and results in operational activities. The particular skills and experience required for the delicate process of project identification, formulation, negotiation and backstopping cannot be taken for granted. The evaluation team recommends, therefore, that specific training on operational activities should be imparted to Habitat Programme Managers with a focus on project identification and formulation, extending to management of the project cycle, including financial and administrative support. The specific training modules already developed by the Regional Office for Latin America and the Caribbean could be used as example.

61. In the long run, such training will contribute to the ability of Habitat Programme Managers to carry out some of the work currently undertaken by the regional offices with regard to project development and backstopping. This will lead to operational economies in handling the growing volume of operations. As this will not happen in the short term, the evaluation team recommends that, especially in the case of the Regional Office for African and the Arab States, backstopping requirements should be addressed through better synergy between regional offices and the Global Division programmes that are active in any given country (see section D, subsection 3 of the present chapter).

62. In addition, it is recommended that UN-Habitat headquarters and regional offices should explore the possibility of providing a subregional mandate to some national Habitat Programme Managers to cover selected neighbouring countries, not only in order to economize on resources, but also to capitalize on the scope for programmatic synergies in terms of subregional cooperation and cross-border projects. Provided adequate funds for subregional travel are made available, this could achieve economies of scale.

D. Cross-cutting issues

1. Findings

63. Habitat Programme Managers at the national level, like the regional offices at the regional level, are expected to engage in the entire spectrum of UN-Habitat activities, from normative and operational work to information and representation. As such, while formally reporting to their regional offices, Habitat Programme Managers are supposed to liaise with and respond to the requirements of a variety of divisions, branches and programmes at headquarters. For this to work efficiently and produce results, adequate coordination and synergy of purpose must exist within the organization as a whole, especially in the crucial linkage between its normative and operational work.

64. While rightly maintaining a distinction between normative and operational activities (the former is mostly financed through core resources while the latter depends on separate resource mobilization mostly at country level), UN-Habitat has in recent years made significant efforts to eliminate contradictions between these two components of its institutional mandate. The evaluation team, while at headquarters, had the opportunity to discuss the work currently in progress to produce the medium-term structural and institutional plan for the period 2008–2013. The plan is handled by an interdivisional task force, appointed by the Executive Director, which is developing mechanisms to ensure enhanced alignment and cohesion between the normative and global mandate of UN-Habitat and its operations at country level in order to translate the mandate into practice. In this context, it is crucial that Habitat Programme Managers operate on the basis of terms of reference that clearly define their tasks as cross-cutting (having both a normative and operational scope) to allow for greater normative and operational synergy at country level.

65. This is confirmed in practical terms at country level where funding for operational activities will increasingly be the result of a clear definition of normative and policy priorities based on a broad consensus between Governments and multilateral and bilateral donors. These will be reflected in government and donors joint programmatic instruments such as common country assessments, development assistance frameworks and poverty reduction strategy papers that are intended to serve as a basis for further resource allocation.

66. In addition, while the present report, in accordance with the terms of reference for the independent evaluation, treats normative and operational activities separately in the previous sections of the present chapter, it is evident that the best examples of success in the activities of Habitat Programme Managers on the ground occur when a common purpose and a cross-cutting strategy is established between the two and is supported by the respective divisions and programmes at headquarters (see text box in section D, subsection 2 of the present chapter for selected examples).

67. Several of the UN-Habitat global programmes which express the main normative guidelines of the organization are increasingly working as promoters of operational activities using either their programme funds or resources mobilized for the purpose at country level. The resulting projects are implemented through direct cooperation between the management team of the global programme in question, the respective regional office and the local Habitat Programme Manager (see also section B, subsection 1 of the present chapter). This is the case, for example, for the Sustainable Cities Programme, the Local Agenda 21 Programme, the Safer Cities Programme, the Slum Upgrading Facility and the Water and Sanitation Programme, all of which are conducting a number of operational activities under the overall supervision of the regional offices.

68. Similarly, normative and capacity development tools elaborated by specific core teams at headquarters increasingly result in operational activities on the ground. This is the case, for example, for training programme modules produced by the Training and Capacity Building Branch and then adapted and introduced locally with additional external financing; for the Global Urban Observatory supporting the development of local urban observatories; and for the rapid urban sector profile studies introduced in a range of African and Arab States. In principle, the global campaigns support the definition of operational activities (e.g., Cities Without Slums initiatives at country level have been developed by the

Global Campaign for Secure Tenure team and submitted for donor funding) and their operational activities work towards the achievement of the Millennium Development Goals at local level.

69. The identification of separate programmes is important in providing a clear picture of the range and scope of responsibilities of Habitat Programme Managers who operate as representatives for a number of global initiatives at the national level and must, therefore, liaise with a large number of interlocutors at headquarters. Good coordination and cohesion at headquarters and between programmes, branches and regional offices are obviously a prerequisite to allowing the Habitat Programme Managers to operate efficiently. Any contradiction emerging at the global and regional levels will inevitably be reflected at the Habitat Programme Manager level. The evaluation team has noted that such problems do occur occasionally, but much less than could be reasonably expected.

70. The Executive Director has issued clear instructions that Habitat Programme Managers are the focal points for the in-country operations of UN-Habitat and that they must be consulted with respect to all activities that are envisaged in their country. The evaluation team has noted that this seems to work reasonably well in terms of information and communication but that it has had an unintended side-effect of adding significantly to the workload of the Habitat Programme Managers, in many cases to the point where the Habitat Programme Manager is forced to decide on an ad hoc and fairly arbitrary basis which support requests to respond to as a matter of priority.

2. Lessons learned

71. The cross-cutting function of Habitat Programme Managers in harmonizing normative and operational work is crucial. It requires the ability to perform at different levels and to keep a range of working contacts and communication lines operating efficiently. In spite of the complexity of inter-programme relations, most Habitat Programme Managers have managed to play a meaningful role in successfully streamlining Global Programmes at the country level and blending them with operational activities.

72. The evidence in the countries visited clearly confirms that the best results were obtained where a logical sequence was maintained in conducting advocacy and normative work to raise awareness of the importance for national development of UN-Habitat priority issues, followed by their introduction in programming instruments and frameworks for development, accompanied in turn by the formulation of pertinent project initiatives based on a strong consensus between Governments and donors. An illustration of this and of the role of the Habitat Programme Managers in bringing it about in several of the countries visited is provided in the text box below.

Box 1: Normative and global to operational: cross-cutting support

Egypt: the Habitat Programme Manager has addressed the normative part of his work primarily by working with concerned government agencies on decentralized participatory planning approaches (i.e., in the preparation of the revised law on spatial planning currently awaiting parliamentary approval) and on slum upgrading policy development, a core element of which is the regularization of land tenure. This has led to a large (about \$7.1 million, 100 per cent government funded) project providing support for the development of strategic urban plans in 50 small cities and, as a product of the development assistance framework exercise, to the multi-agency participatory and integrated slum upgrading project in Egypt in conjunction with the International Labour Organization (ILO), the United Nations Development Fund for Women (UNIFEM), UNDP, the United Nations Children's Fund (UNICEF), and the United Nations Population Fund (UNFPA).

Mexico: a very limited investment (\$5,000) from the Global Urban Observatory was instrumental in setting up a local urban observatory in the city of Leon. The Habitat Programme Manager was particularly active in capitalizing on the interest generated by the initiative and there are currently close to 50 local urban observatories functioning in the country, all financed with local resources and producing important information for local urban development strategies. This work has recently prompted a state government to finance (sharing costs with UN-Habitat) a five-year programme locating local urban observatories in the state, collecting indicators and spearheading participatory work for assessment of cities' development priorities.

Mozambique: the Regional Office for Africa and the Arab States, with the support of an international project officer based in Maputo, had formulated a multi-million dollar programme document on urban environmental vulnerability reduction, which had not been considered as a priority for funding by donors. Following the technical and advocacy work undertaken by the Habitat Programme Manager, which was instrumental in introducing the issue and the proposed initiative in the Government-adopted poverty

reduction strategy paper, the European Union recently agreed to include the programme document among the initiatives to be considered for financing.

Sri Lanka: the normative part of the work of the Habitat Programme Manager has been articulated in the development of good urban governance practices in the current UNDP Sustainable Cities Programme urban governance support project, which is a long-term operational capacity-building programme jointly supported by the global core resources of the Sustainable Cities Programme and UNDP country resources, with a recent focus on localizing the Millennium Development Goals in nine local government jurisdictions. The Habitat Programme Manager and the urban governance support project staff have collaborated with concerned ministries in the development of a cabinet policy paper on good urban governance, localizing the Millennium Development Goals and capacity-building. The global mandates have also been articulated in post-tsunami reconstruction work, with particular focus on secure tenure options and housing rights.

73. In terms of dealing with the complex network of UN-Habitat global programmes and their impact on the work of the Habitat Programme Managers, those Managers visited during the evaluation cited the complexity inherent in keeping abreast of the developments and requirements of a large number of UN-Habitat clients, but seemed to be satisfied and appreciative, in general, of the coordination function of the regional offices in spite of capacity constraints experienced, in particular, at the Regional Office for Africa and the Arab States.

74. An important lesson is that the presence of Habitat Programme Managers at the country level has obviously helped in harmonizing the interventions of different UN-Habitat initiatives by establishing a single reference point for all. Global programme activities, which prior to the deployment of Habitat Programme Managers may have been undertaken independently without coordination with regional offices or other activities of different global programmes, are now coordinated by the Habitat Programme Manager. Activities are thus harmonized and a much more coherent overall strategy is presented to national partners. The Habitat Programme Manager initiative has, therefore, been beneficial in harmonizing and streamlining potentially disparate UN-Habitat programmes with operational projects, producing an immediate benefit for government authorities. The latter now find it easier to relate their needs to the various global initiatives of UN-Habitat. The improved coordination at country level has had an immediate benefit for UN-Habitat in terms of increased operational efficiency.

75. All of the regional offices are experiencing capacity constraints in handling a complex set of normative and operational requirements at country level while under pressure to generate project revenue required for their sustainability. As noted above, the Habitat Programme Manager deployment is beneficial in strengthening institutional synergies but the supervision and support of Habitat Programme Managers has added a considerable workload to the Regional Office for Africa and the Arab States and the regional offices for Asia and the Pacific and Latin America and the Caribbean may experience similar difficulties if the number of Habitat Programme Managers grows rapidly in their regions. In countries where Global Programmes are especially active, the Global Division should provide greater overall support to Habitat Programme Managers, in line with the envisaged directions in the medium-term structural and institutional plan.

76. Finally, but very importantly, the evaluation team felt that the generic terms of reference given to Habitat Programme Managers, while perhaps adequate in the early stages of the initiative, fail to convey explicitly, after normative work has been carried out and programme activities are underway, the specificity of a particular country's situation and defined programme objectives. The preparation and adoption of a comprehensive strategic framework for the work of UN-Habitat in each country where the Habitat Programme Manager has been active after an initial inception period, reflecting normative challenges, activities of global programmes and operational projects, with coherent common goals, is urgently required. This would enable the Habitat Programme Managers to operate and respond more systematically and within a strategic consensus. A UN-Habitat country programme document along those lines and with a time frame to be defined for each country (ranging from two to five years) would also enable better planning of future activities and more credible resource mobilization. Initial efforts to develop such country programme documents are underway in Colombia, Nigeria and Sri Lanka.

77. A participatory national urban forum could also be introduced as a prime mechanism for the development of a country strategy. The forum could be coordinated by the Habitat Programme Manager, who could lead advocacy activities and analysis of urban issues, networking with partners,

including donors. The initial experience in several countries, including Nigeria and Sri Lanka, has been positive.

3. Recommendations

78. The experience in the countries where Habitat Programme Managers have been deployed indicates that the best results were obtained where a coherent normative-operational linkage was established (with global programmes often instrumental in strengthening that linkage). This is an important lesson for current programme restructuring within UN-Habitat, which would also enhance coherence of efforts at the national level. Consequently, and to better capitalize on this positive lesson, it is recommended that the Global Division should assume a greater role in the overall supervision of Habitat Programme Managers to overcome the constraints experienced by regional offices. This should be done as part of specific agreements for countries where Global Division programmes are particularly active and where the headquarters staff in charge of those programmes could, in coordination with the regional office concerned, ensure greater support to the Habitat Programme Manager across the whole spectrum of UN-Habitat activities.

79. Keeping these considerations in mind, it is recommended that, moving beyond the generic terms of reference given to Habitat Programme Managers, country programme documents should be prepared on a two-year rolling basis with a five-year horizon unless otherwise indicated by individual development assistance frameworks or poverty reduction strategy papers. This should result from a cooperative effort between the Habitat Programme Manager, the regional office concerned and the Global Programmes in close dialogue with national partners, the United Nations system and donors. It should reflect the normative and operational work already undertaken and planned for, based on the sectoral priorities reflected in the common country assessment, development assistance framework and poverty reduction strategy paper, and also current and forthcoming activities, identified gaps and strategic goals.

80. Once approved by UN-Habitat, the country programme document should be treated as the guiding framework for all future interventions by any division, branch or programme of UN-Habitat in the country.

81. Habitat Programme Managers should be encouraged and helped to launch and coordinate participatory national urban forums to raise awareness on crucial development priorities and to further promote sectoral reform.

82. UN-Habitat should undertake a country-by-country annual review, based on the approved programme document, to assess progress and the continued relevance of the Habitat Programme Manager initiative. This analysis should provide the basis for a decision on an exit strategy from countries where no appreciable results have been achieved either in normative or operational terms after a number of years.

E. Programme funding

1. Findings

83. The current Habitat Programme Manager initiative, operating in 36 countries, costs UN-Habitat about \$1.65 million per year. That amount covers the salaries of the Habitat Programme Managers and a small allocation for operating expenses of \$5,000 per country. The UN-Habitat work programme and budget, approved by the Governing Council in 2005, allocates a total of \$2.4 million for Habitat Programme Managers in the 2006–2007 biennium from the Habitat and Human Settlements Foundation general-purpose contribution. This amount is sufficient to cover a substantial critical mass of Habitat Programme Managers. As stated in resolution 20/15, other funding mechanisms, host-country contributions, special purpose contributions and earmarked contributions, including those from global programmes, will continue to support the deployment of Habitat Programme Managers as those sources of financing are secured. The allocations made by Global Programmes to the Habitat Programme Manager initiative, generally in recognition of specific services provided by Habitat Programme Managers, are significant and amounted to approximately \$600,000 in 2003–2004.

84. The overhead account (revenues from the implementation of operational projects) contributed \$300,000 yearly to the Habitat Programme Manager initiative in 2003–2004 but the practice of accruing funds in this way has since been discontinued. In several cases, Habitat Programme Manager office support costs continue to be charged to specific technical cooperation projects, when project-specific support services, including additional professional and support staff, vehicles and in-country travel provisions, are provided.

85. Available data on confirmed commitments by global programmes to renewed financing suggest that this is adequate to cover the balance of the current programme costs not covered by the allocation from the Habitat and Human Settlements Foundation.

86. The above-mentioned assessed yearly cost is a net expenditure for UN-Habitat, which may be reduced or made capable of delivering more through partners' cash or in kind cost sharing. Some examples of this already exist, as noted during the evaluation team's country visits:

(a) UNDP Mozambique has decided, as of June 2006, to fund 30 per cent of the Habitat Programme Manager's salary, based on the assessment of benefits accruing from the Habitat Programme Manager's work to the United Nations as a whole;

(b) The Government of Nigeria has provided a \$150,000 capital grant and an annual recurrent grant of \$50,000 (increased to \$120,000 from 2006) to UN-Habitat by way of an endowment to the Habitat Programme Manager office of additional staff and a Minimum Operating Security Standards (MOSS)-compliant vehicle;

(c) The Government of Mexico, applying the principle of matching funds, is reimbursing UN-Habitat on a yearly basis the full amount contributed by the organization for the Habitat Programme Manager. This amount is currently used to strengthen the Habitat Programme Manager's office operations by covering the salaries of additional technical staff and activities.

87. Although there are only a few such examples, they may set a trend and UN-Habitat may capitalize on this possibility in further negotiations with partners both at the global and country levels, particularly in the case of middle-income countries.

88. UNDP offices and sometimes national Governments make in kind contributions to the work of the Habitat Programme Managers through the provision of office space, payment for utilities, transport, equipment and office expendables, all of which are prerequisites for Habitat Programme Managers to function with basic minimal efficiency. In some countries the UNDP support is provided on a fee-for-services basis. All of the UNDP representatives interviewed by the evaluation team expressed their appreciation of the Habitat Programme Manager initiative and highlighted the contribution made to the overall advancement of the work of the United Nations system at country level. In the view of the evaluation team, increased potential now exists for exploring more advantageous concrete contractual agreements with individual UNDP country offices in cases where Habitat Programme Managers' efforts have been particularly significant.

89. A cost and benefit analysis involves more than just matching funds disbursed against funds received. In the view of the evaluation team and based on its findings, **the main justification for the Habitat Programme Manager initiative and its continuation lies in the impressive impact it has already had at country level in terms of assisting Governments with their human settlements policies and programmes and hence allowing UN-Habitat to better implement its normative mandate. This benefit is impossible to quantify in monetary terms, but it is of fundamental importance to UN-Habitat.**

90. The immediate savings to UN-Habitat derived from the presence of Habitat Programme Managers can be couched in terms of reduced need for headquarters and regional office staff support missions and backstopping costs and savings to global programmes in terms of reduced need for support missions and, often, reduced need for local consultants. There is broad recognition on the part of global programme staff of the savings and benefits accrued to their programmes as a result of the work of the Habitat Programme Managers. As noted above, global programmes have financially contributed in a number of cases to the salaries and other costs of Habitat Programme Managers in recognition of their input to the programme activities.

91. In terms of benefits accruing to the UN-Habitat operational portfolio, as noted above this is normally the result of collaborative efforts involving a variety of staff members at headquarters and in the regional offices and also field personnel and Habitat Programme Managers. The positive impact of the Habitat Programme Managers in advancing the prospects for generating a UN-Habitat project portfolio, especially in those countries where UN-Habitat had not previously managed to do so, is evidence that the Habitat Programme Manager initiative will eventually pay off financially in its contribution the operational programme, at least in those countries where a quantitatively significant portfolio potential exists.

2. Lessons learned

92. For good financial results to be shown in terms of increased revenue from projects, it will be necessary to provide an adequate time frame and also to recognize that (particularly within the context of much reduced resources for operational activities) various aims should be pursued in a logical sequence:

- (a) Advocacy and awareness-raising by Habitat Programme Managers aimed at policymakers and civil society.
- (b) Recognition by the United Nations system of the importance of UN-Habitat priority issues for development more generally.
- (c) The introduction by the United Nations of UN-Habitat priority issues into programming instruments at country level.
- (d) Subsequent or parallel formulation and approval of pertinent project initiatives based on a strong consensus between Governments and donors.

93. In pursuing these aims, UN-Habitat and its Habitat Programme Managers are on the right track but it is clear that operational results could not have been expected immediately, given the inevitably protracted gestation period of the above activities.

94. To improve operational prospects further, the evaluation team feels that several administrative and financial issues relating to the work of Habitat Programme Managers require attention:

- (a) Most Habitat Programme Managers have inadequate funds to cover their operating costs, which has limited their ability to perform with maximum effectiveness. The standard sum of \$5,000 per year provided by UN-Habitat to Habitat Programme Managers is clearly insufficient.
- (b) In the majority of cases, Habitat Programme Managers have been able to operate because of the ad hoc contributions in cash or in kind by global programmes, in-country projects and other partners (predominantly UNDP), discussed above. Difficulties have nevertheless been experienced across the board. There is no organization-wide consensus on how global programmes that rely on a Habitat Programme Manager to support their operations in a country should compensate the Habitat Programme Manager for his or her time and operating expenses; agreements are reached on a case-by-case basis and the most vocal and self-assured Habitat Programme Managers may manage to secure more favourable terms.
- (c) Unsurprisingly, a problem has emerged in countries where several programmes are active because this leads to a manifold increase in the workload and activities required of Habitat Programme Managers and, as a result, increasing difficulty in coping with current expenditures and administration. This has been the case in Colombia, Mexico and Sri Lanka, where additional programme management support capacity is required in the Habitat Programme Manager office.

3. Recommendations

95. With respect to **future funding** of the Habitat Programme Manager initiative, the evaluation team recommends that, in keeping with the decisions and recommendations of the Governing Council (including resolution 20/15) and in order to ease the long-term financing of the Habitat Programme Manager initiative, a variety of funding mechanisms should be considered:

- (a) As noted above, the evaluation team is convinced that the strongest intrinsic justification for the deployment of Habitat Programme Managers is the advancement of the normative mandate of UN-Habitat at the country level, in accordance with the principles underlying the current reform of the United Nations system. Since it serves as an instrument to implement the work programme, the initiative's base cost should continue to be primarily covered from core Foundation resources. The establishment of a trust fund to reinforce the Habitat Programme Manager initiative could usefully be explored in negotiation with donors.
- (b) Cost sharing with global programmes could be made more sustainable, predictable and transparent by quantifying the benefits and savings accruing to each programme resulting from inputs by specific Habitat Programme Managers. This should translate into global programmes sharing the costs of Human Programme Managers' salaries and operating expenses, effectively substituting the expenditure that they would otherwise have incurred paying for external consultants, for instance.

(c) It does not seem appropriate to use overhead earnings originating from field project implementation to cover Habitat Programme Managers' salaries partially or in full because those resources are primarily needed to cover the salaries of headquarters and regional office staff in charge of backstopping the operational portfolio technically and administratively. Competition for overhead earnings should be avoided in the light of the already noted difficulty of assessing the relative contribution of Habitat Programme Managers as compared with other UN-Habitat colleagues in generating such revenues. In exceptional cases, where a Habitat Programme Manager's time and skills are crucial in ensuring field supervision and backstopping of operational activities and in the formulation of new initiatives, charging their partial cost to projects' revenue or budget lines could be explored by regional offices and applied explicitly as part of the UN-Habitat country programme financing when justified and feasible.

96. In summary, therefore, the Habitat Programme Manager initiative (salaries and operating costs) should continue to be funded:

- (a) Primarily through core Human Settlement Foundation general purpose resources;
- (b) By attempting to lessen the Foundation's contribution increasingly through in-country cost sharing agreements with partners such as UNDP and national Governments;
- (c) By adopting a more systematic and transparent contribution from global programmes towards Habitat Programme Managers' cost in countries where these programmes are active and rely on the Habitat Programme Managers for services;
- (d) Using operational in-country projects' budget lines commensurate with the Habitat Programme Manager's expected time input to the project concerned;
- (e) In principle without the use of overhead revenues to partially finance Habitat Programme Managers. Regional offices may decide, however, to make use of these resources in special cases where the Habitat Programme Manager has been instrumental in generating considerable revenue, which would justify its partial allocation towards the Habitat Programme Manager's salary.

97. The **formulation of a UN-Habitat country strategy and programme document** in each Habitat Programme Manager country (which, as recommended above in chapter II, section D, subsection 3, should clearly state intended activities and roles by each UN-Habitat programme) should serve as the basis for assessment of a Habitat Programme Manager's time sharing and facilitate the definition of financial contributions by each programme. It is strongly recommended that the development of such a programme should be made mandatory a maximum of two years after the initial deployment of the Habitat Programme Manager. The country programme document should include a specific budget item for Habitat Programme Manager support with identified sources of funds to cover the Habitat Programme Manager's salary and operating expenses adequately. The Regional and Technical Cooperation Division should provide a template to guide the formulation of country documents.

98. UN-Habitat should then undertake a country-by-country rolling annual review, as recommended above in chapter II, section D, subsection 3, to assess the progress of the country strategy and of the Habitat Programme Manager's work. The overall programme review should include a cost-benefit financial review to advise on the continuation of the Habitat Programme Manager in-country programme or, where no results to justify its extension can be found, to recommend an **exit strategy**. Such an exit strategy should also be considered in cases where, for a variety of operational or political reasons it may not be possible to develop a significant and sustainable UN-Habitat country strategy and operational programme. If this has not materialized within several years of the initial deployment of a Habitat Programme Manager (for instance a maximum of three years), UN-Habitat should consider the effort to have failed and withdraw the Habitat Programme Manager.

III. Conclusions and recommendations

A. Main conclusions

1. Overall

99. The evaluation team has concluded that the deployment of Habitat Programme Managers fully complements UN-Habitat's twofold global and national mandate as a strategy to allow for significant positive changes in Governments' human settlements policies and programmes. The strategy has unquestionably been very successful. In the eight countries in which the evaluation team was able to

conduct an in-depth review, the contributions of the Habitat Programme Managers in all aspects of their assignments have been assessed as very positive by all concerned, including, importantly, UNDP and government sector agencies. Based on the documentation reviewed, a positive impact is also suggested in most of the other countries not visited by the evaluation team.

100. As described in detail in previous chapters of the present report, positive gains have been noted in normative terms because, through UN-Habitat's direct participation in the common country assessments, United Nations development assistance frameworks, poverty reduction strategy papers and other country programming exercises, the Habitat-related thematic contents in such programming documents has significantly increased in all cases.

101. UN-Habitat global programmes and normative tools have found Habitat Programme Managers to be a practical and efficient instrument to promote their in-country activities and ensure follow-up and coordination amongst those activities. This represents a significant improvement on the period before the introduction of Habitat Programme Managers and is the result of the establishment of an in-country UN-Habitat reference point.

102. The development of an operational programme by Habitat Programme Managers has been harder and is still at incipient stages in many countries. Viewed collectively, however, the Habitat Programme Managers' presence has definitely contributed to improving UN-Habitat's operational prospects, as demonstrated by the fairly long list of countries above in chapter II, section C, subsection 1, where Habitat Programme Managers' contributions have been recognized as instrumental in developing the operational portfolio. In addition, some notable successes stand out. In two cases (Egypt, and Sri Lanka) Habitat Programme Managers have succeeded in multiplying the UN-Habitat operational programme manyfold in financial terms since arriving and have thereby generated very considerable returns for the agency; elsewhere (Mexico, Colombia, Mozambique and Nigeria) Habitat Programme Managers are helping to generate operational projects with good prospects for major expansion.

103. More importantly, moving beyond the somewhat artificial distinction between normative and operational activities, in many countries where Habitat Programme Managers have been deployed UN-Habitat now has the opportunity to develop a coherent strategic approach to human settlements and urban poverty issues. Formulation of operational programmes and the required resource mobilization can then be more logically based on a sustained policy and programme framework.

2. Need for better strategic programming at country level

104. The strategic potential noted above needs to be capitalized upon as part of a collective effort on the part of all UN-Habitat divisions and programmes involved in countries where Habitat Programme Managers are located. The evaluation team considers that, after normative work in multilateral programming exercises has been undertaken and global programmes and operational activities have been introduced, the initial generic Habitat Programme Manager terms of reference are inadequate to reflect the specificity of a given national situation and to define precise strategic goals for UN-Habitat and the Habitat Programme Manager. The formulation of a UN-Habitat country strategy and programme would enable Habitat Programme Managers to operate more systematically by setting priorities within a clearly defined programme of work rather than responding ad hoc to often disconnected requirements from UN-Habitat's different divisions and programmes, and from partners at country-level.

105. The evaluation team notes with appreciation that such programming work is already being initiated by several Habitat Programme Managers (e.g., in Colombia, Nigeria and Sri Lanka) in collaboration with the respective regional offices. The results achieved to date in terms of United Nations development assistance framework outcomes and current normative and operational activities now provide sufficient basis to extend this practice to most other countries, at least to those where Habitat Programme Managers have been established for two years (the initial experimentation/inception time) or more. Such a country strategy and programme instrument would also contribute to establishing a more coherent basis for in-country constituency building and resource mobilization and in defining expected products as benchmarks to allow UN-Habitat to assess the degree of success of the Habitat Programme Manager deployment.

3. Constraints impinging on Habitat Programme Managers' effectiveness

106. The evaluation team has noted the following operational constraints on Habitat Programme Managers, which have negative effects on their effectiveness:

(a) **Inadequate operating budget:** the evaluation team has noted that the Habitat Programme Managers have to do their work under very constrained financial circumstances and with marginal core operational budgetary resources at their disposal (\$5,000 per annum per Habitat Programme Manager from UN-Habitat). This considerably limits their effectiveness and the overall scope for UN-Habitat to promote new activities, to organize advocacy and information events, and to support key aspects of the normative mandate proactively, such as global campaigns, which is an area of UN-Habitat's work which the evaluation team feels is not always adequately addressed. UNDP has generally been helpful in providing office space and facilities (sometimes as an in kind contribution, sometimes at cost) and has also, in some cases, provided sizeable support to cover operating expenses and activities. Financial contributions have also been made by global programmes using Habitat Programme Managers to promote their in-country work but mostly on an ad hoc basis rather than as the result of a clear and transparent collective agreement within UN-Habitat over the use and the costing of the Habitat Programme Managers' time.

(b) **Unequally distributed responsibility for Habitat Programme Manager supervision:** in UN-Habitat, the three regional offices have correctly been assigned the responsibility for Habitat Programme Manager supervision because of their mandate for most operational work at country level. The evaluation team has noted that the rapid build-up of the Habitat Programme Manager initiative from the initial seven Habitat Programme Managers deployed in 2003 to the present number of 36, while strategically fully justified, has led to a visible constraint in Habitat Programme Manager supervision in the Regional Office for Africa and the Arab States, which backstops 26 of the 36 Habitat Programme Managers with effectively only four human settlements officers among its staff. The staffing constraints in that office have limited its effectiveness in backstopping and also limited the ability of Habitat Programme Managers to function effectively. Within a more coherent UN-Habitat country programme framework, reflecting activities spearheaded by a range of the organization's divisions and programmes, it will be possible to capitalize on synergies in sharing supervisory and backstopping responsibilities, based on the respective in-country involvement of each of UN-Habitat's partners and through clear agreements between divisions.

(c) **Insufficient training support to Habitat Programme Managers:** the limited amount of induction and exposure training and information exchange provided to the Habitat Programme Managers at the commencement of their work and during the initial period of their deployment has also acted as a constraint on their operational effectiveness. This particularly applies to training on operational project development.

4. Programme financing

107. UN-Habitat's investment in the Habitat Programme Manager initiative clearly represents a sizeable expenditure for the organization. If compared to all other available United Nations mechanisms for establishing an organization's in-country presence, however, the Habitat Programme Manager initiative is remarkably inexpensive and amounts only to a national salary and operating costs; as an instrument, it is strong on substance and very 'light' in terms of representational, office, administrative and equipment costs. The evaluation team recognizes that it is an original and cost-effective formula, not tried out before in the United Nations system, which deserves appreciation and support.

108. Nevertheless, in order to reduce the net recurrent cost of the programme, the promising examples noted earlier of cost sharing by national partners, such as UNDP country offices and middle-income countries' Governments, combined with more systematic support from current global programmes, show good potential and are worth exploring. In the case of global programmes, the evaluation team notes that their contributions to Habitat Programme Managers' salaries and operating costs were made because this seemed strategic and cost-effective for their specific in-country activities, which in turn resulted in benefits and cost-savings to their programmes.

5. Strategic determination of countries for Habitat Programme Manager deployment and exit strategies

109. The countries in which Habitat Programme Managers have been deployed have differing strategic values for UN-Habitat. This value constitutes a combination of the assessed scope for bringing about positive policy change through normative work and for developing operational projects; these can in turn be measured by the extent of Governments' interest in and commitment to receiving a Habitat Programme Manager and the extent to which new resources are made available from multilateral, bilateral and government programmes when countries are considered for Habitat Programme Manager deployment.

110. The evaluation team has noted the sharp geographical imbalance currently existing between regions, along with the strong interest from the Regional Office for Latin America and the Caribbean and the Regional Office for Asia and the Pacific to deploy more Habitat Programme Managers in their regions. Countries' relative strategic value and regional balance are therefore, in the evaluation team's view, important factors to bear in mind when considering the future of the programme and its possible expansion to new countries.

111. Habitat Programme Managers were not deployed with the intention that they should become permanent. Instead, the continuing justification for their role depends on their actual production of results that contribute to UN-Habitat's implementation of its mandate. The evaluation team has noted the need for a fairly long (minimum three years) 'investment' time for Habitat Programme Managers to produce meaningful results and has identified the need to formulate a coherent and strategic programme document in each country to set priorities and define expected results both in normative and operational terms. The foregoing considerations also form the basis for UN-Habitat's definition of an exit-strategy from any given country wherever results fail to materialize.

6. Habitat Programme Managers as a long-term investment

112. The evaluation team notes that at the outset of the Habitat Programme Managers' deployment and even now after more than three years of operation, the expectations of UN-Habitat were perhaps unrealistic in terms of what could reasonably be achieved within a short period of time and with very limited resources. In the eight countries visited, where the Habitat Programme Managers had all been deployed for more than two years, the team noted that it took a significant amount of time to build confidence, to develop positive working relationships, to place UN-Habitat's key concerns and priority issues firmly within multilateral and government agendas and to establish a functioning operational network.

113. Gains have been achieved almost everywhere, however, and the prerequisites are now visible in many countries for the expected results to materialize and for the full benefits of an in-country UN-Habitat presence to be realized. The deployment of Habitat Programme Managers should therefore be seen as a long-term investment. Perhaps one of the most interesting lessons for UN-Habitat is the evidence that the best results may have been registered in countries where a strong synergy was built between the normative component of UN-Habitat work and the formulation of operational projects once the correct policy framework and related support within Governments (and donors) was properly established. This is a complex task for anyone, more so for Habitat Programme Managers who have to function in relative isolation and therefore require a fairly long time to gain the necessary knowledge and experience. In order to produce tangible results, such learning normally takes the longest time in relation to the development of an operational programme pipeline.

114. In sum, the evaluation team considers that, in the context of its overall positive assessment of the Habitat Programme Manager initiative, the initial years of the initiative's implementation must be seen as a trial period from which a significant number of lessons have emerged. These lead to the team's recommendations for improvement, which are summarized in the following section.

B. Key recommendations for more effective programme implementation

1. Country strategy and programme development

115. The evaluation team recommends that the Habitat Programme Manager initiative should be continued. For the initiative to achieve greater impact, the team further recommends that, at least in countries where the Habitat Programme Managers have been deployed for two years or more, the formulation of a detailed UN-Habitat country strategy and programme document should be made mandatory; this should occur through an interdivisional effort and in cooperation with in-country partners. Such a country programme document should be based upon the experience and results produced to date, have a strategic horizon of a maximum of five years, an operational programme content of two years and preferably be annually adjusted on a rolling basis. The country programme should identify normative and operational activities in detail, with specified expected outputs, sources of inputs (including information on the involvement of UN-Habitat divisions or programmes), and agreed sources of funds, including sharing of costs by partners. The country programme documents should be approved by UN-Habitat's Executive Director, based on prior scrutiny and advice from the concerned regional office.

2. Habitat Programme Manager deployment in additional countries and geographical balance

116. The evaluation team recommends that deployment of Habitat Programme Managers in additional countries should be based on consideration of that country's strategic value for UN-Habitat, after reviewing policy prospects, sectoral needs, genuine government interest and the scope for operational programmes. Noting, moreover, the requests from the Regional Office for Asia and the Pacific and the Regional Office for Latin America and the Caribbean for additional Habitat Programme Managers, it also recommends that efforts should be made to reduce the current regional imbalance in Habitat Programme Managers' distribution. The evaluation team recommends that such requests should be judged on their merits in terms of the potential to develop a country strategy and operational programme along the above lines.

3. Capacity-building and support from UN-Habitat

117. Adequate backstopping of Habitat Programme Managers by regional offices and the development and implementation of concrete capacity development activities by UN-Habitat are prerequisites for the effective functioning of the Habitat Programme Manager initiative. The evaluation team recommends that UN-Habitat should make additional investments in backstopping to reap the full benefits of the system within a reasonable length of time. As Habitat Programme Managers are being replaced and new Habitat Programme Managers assume office periodically, a more structured capacity-building programme will be required. The evaluation team therefore recommends that UN-Habitat should develop and implement a formal recurrent Habitat Programme Manager capacity development programme under the leadership of the Training and Capacity Building Branch and with support from regional offices. The programme should contain the following elements: induction training at UN-Habitat headquarters; regular (for example quarterly) information exchange and review of feedback; immersion seminars on specific programmes as needed (on a programmatic and/or regional basis); operational project development and management; and periodic refresher training. The preparation of a comprehensive Habitat Programme Manager handbook is recommended. Habitat Programme Manager backstopping should be an explicit element in the terms of reference of regional office staff, for which a time allocation must be made. It should also be considered explicitly in their annual performance assessments.

4. Programme funding

118. The evaluation team recommends that, in view of the pre-eminent normative significance of the Habitat Programme Managers' work, the Habitat Programme Manager initiative should continue to be funded primarily through Human Settlements Foundation general purpose contributions, as reflected in the 2006–2007 work programme and budget. It also recommends that, to sustain and eventually expand the geographical coverage of Habitat Programme Managers, efforts should be made to capitalize on additional funding mechanisms further by:

- (a) Encouraging multilateral and national partners to share costs;
- (b) Strengthening and making more systematic and transparent contributions from global programmes whose involvement in any given country should be clearly reflected in the recommended country programme document and with a clear budgetary indication of each global programme's financial input, commensurate with the expected Habitat Programme Manager's time contribution;
- (c) Charging portions of Habitat Programme Managers' salaries and operating costs to operational projects' budget lines when justified by the Habitat Programme Manager's expected involvement in project backstopping.

119. There is a need to ensure that more adequate resources than those presently available are identified to cover Habitat Programme Managers' operating costs. Ideally and increasingly, such resources should form part of budget lines for in-country activities covered by partners' who are sharing costs and by participating programmes and projects. The first call on Human Settlements Foundation financing should be for newly deployed Habitat Programme Managers.

5. Impact assessment and exit strategy

120. The evaluation team recommends that the proposed country programme documents should also be used by UN-Habitat as the instrument to assess whether its strategy has produced satisfactory results in all countries. From the time of country programme formulation, UN-Habitat should carry out a rolling annual review to measure impact and assess further prospects and potential. Should it be

determined that results have failed to materialize and that, for a variety of operational or political reasons, it may no longer be possible or advisable to maintain a significant and sustainable UN-Habitat country programme, UN-Habitat should conclude that there is no longer a sufficient strategic-programmatic justification, consider the effort failed and withdraw the Habitat Programme Manager.

6. UNDP support

121. On the basis of the positive assessment of the initial operational experience of the Habitat Programme Manager initiative, the evaluation team recommends that the global memorandum of understanding on Habitat Programme Manager deployment between UNDP and UN-Habitat, which is currently due to lapse in September 2007, should be reviewed and extended. The significance of the global memorandum of understanding will be mainly political and serve as a basis to build upon through country-specific contract agreements in recognition of the fact that UNDP support requirements and its ability to respond vary greatly from country to country. The existing global memorandum of understanding is understandably not specific regarding the terms and conditions according to which UNDP will provide such support in any one country. As ambiguities exist in several countries in terms of what UNDP is to deliver, this must be clarified in the tailor-made country-specific contract agreements discussed above, which may be formally reviewed from time to time. A general clause to this effect may be added in the global memorandum of understanding.

Annex I

Habitat Programme Manager evaluation workplan

I. Purpose of the evaluation

1. As laid down in the December 2005 terms of reference for the independent evaluation, its purpose is to assess the performance, effectiveness, relevance, added value and impact of Habitat Programme Managers in mainstreaming urban development and human settlements issues in country level activities. The evaluation is meant to be a forward-looking learning exercise and to yield findings that can be incorporated into the decision-making process by UN-Habitat and UNDP, the Governing Council and Committee of Permanent Representatives of UN-Habitat and other stakeholders. It will be evaluated as a programme, rather than viewed as a collation of (staff) performance reviews. The evaluation will identify lessons learned and recommend improvements for strengthening the Habitat Programme Manager initiative's overall performance and to support country level activities.

2. More specifically, the terms of reference specified that that evaluation is intended:

(a) To assess the relevance and added value of Habitat Programme Managers to UN-Habitat strategic goals and priorities, country needs, partners and donor policies;

(b) To examine the effectiveness of Habitat Programme Managers in contributing to UN-Habitat's capacity to achieve its developmental goals at country level;

(c) To assess Habitat Programme Managers' contributions to integrating shelter and urban poverty issues into United Nations development assistance frameworks and national poverty reduction strategies; to promoting UN-Habitat's global and normative mandates; and to supporting operational activities of UN-Habitat at the national and local levels;

(d) To assess the capacity of Habitat Programme Managers to generate cooperation initiatives;

(e) To provide a pointer as to what and in what areas action is needed to make Habitat Programme Managers cost-effective in integrating human settlements issues at country level;

(f) To identify lessons learned and good practices and suggest improvements;

(g) To make concrete recommendations on follow-ups and the modalities for the programme's sustainability.

II. Scope of the evaluation and the general approach

3. The present workplan has been drafted in response to the terms of reference noted above. The evaluation will be carried out by two international individual consultants, Mr. Roberto Ottolenghi and Mr. Emiel Wegelin during June–October 2006. The evaluation will be based on:

(a) A desk review of pertinent documentation, particularly self-assessments by Habitat Programme Managers and assessment by regional offices, UNDP offices and UN-Habitat headquarters;

(b) Structured interviews with selected strategic resource persons;

(c) Field visits to eight countries for the purpose of an operational assessment of work undertaken by the Habitat Programme Managers concerned.

4. This workplan has taken advantage of the fact that many actors involved were assembled at the World Urban Forum in Vancouver on 18–23 June 2006. The workplan was discussed and agreed upon there, initial interviews with resource persons were conducted and the timing and format of the country review missions was also agreed.

III. Desk review and interviews with resource persons

5. The desk review will primarily focus on the report on the internal evaluation of Habitat Programme Managers presented to the Committee of Permanent Representative in May 2006, which comprises the output of the self-assessment of the Habitat Programme Managers and the assessment by

regional offices, UNDP offices and UN-Habitat headquarters. Within the scope of work outlined in the terms of reference for the Habitat Programme Manager evaluation, the internal evaluation report focused on the assessment of Habitat Programme Managers' contributions to the three primary areas of their work:

- (a) Integrating shelter and urban poverty issues into United Nations development assistance frameworks and national poverty reduction strategies;
- (b) Promoting UN-Habitat's global and normative mandates;
- (c) Supporting the operational activities of UN-Habitat at the national and local levels.

6. The internal evaluation also assessed the administrative and financial arrangements and relationships that affect Habitat Programme Managers' work.

7. The consultants will review the internal evaluation report and endeavor to validate its findings, going back to the source data received from the 32 Habitat Programme Managers as may be required.

8. Interviews with selected resource persons, other than those in the eight countries targeted for field visits, will also aim to validate of the internal evaluation report's findings and a comparison will therefore be done between the views of the resource persons and the report's conclusions. In addition, the interviews with resource persons will address one situation that fell within the scope of the terms of reference that could not be addressed in the internal evaluation, i.e., countries without Habitat Programme Managers in which there is a sizeable UN-Habitat programme or the potential for one. Some of the interviews will also cover the history and gradual emergence of the Habitat Programme Manager initiative, including issues such as the selection of countries, phasing and funding.

9. The interviews with resource persons will not be limited to strengths and weaknesses of the Habitat Programme Manager initiative as it currently operates but will also address possible ways and means of improving its performance.

10. A list of resource persons to be interviewed, as agreed at the World Urban Forum, is contained in annex I to the present workplan. Some initial interviews were conducted at the World Urban Forum, with the remainder to be done during a visit by the consultants to UN-Habitat headquarters in Nairobi in September 2006. Interviews may be done in person or on telephone; all interviews will be done with the aid of a small checklist of items to be covered.

IV. Country reviews

11. Reflecting the current pattern of deployment of Habitat Programme Managers, country reviews will be carried out in four African countries (Egypt and Nigeria by Mr. Wegelin, Mozambique and Senegal by Mr. Ottolenghi), two Asian countries (Philippines and Sri Lanka by Mr. Wegelin) and two Latin American countries (Colombia and Mexico by Mr. Ottolenghi). The focus of the country reviews will be quite similar to the focus of the internal evaluation report but will be more in-depth and will additionally include a review with partner groups in each country, including relevant government departments, local governments, non-governmental organizations, donors and private sector entities, as appropriate.

12. The review with partner groups will have a broader focus and also address the relevance and added value of Habitat Programme Managers to country needs and policies, and the effectiveness of Habitat Programme Managers in addressing such needs. In addition, the country review will address the relevance and added value of Habitat Programme Managers to partner and donor policies, and the effectiveness of Habitat Programme Manager in generating cooperation initiatives. This element will be addressed through interviews with selected in-country programme partners and donors.

13. The country reviews will not be limited to an assessment of the strengths and weaknesses of the Habitat Programme Manager initiative as it currently operates in each country but will also address possible ways and means of improving its responsiveness and performance.

14. A list of persons from each of the three groups (primary partners (UNDP and the Habitat Programme Managers), in-country partners and other donors) suggested to be interviewed in the country reviews was finalized at the World Urban Forum and is set out in annex II to the present workplan. The interviews will be done during the country review visits by the evaluation team members in person or on the telephone, if unavoidable; all interviews will be done with the aid of a small checklist of items to be covered. At the end of each country review a debriefing will be done, supported by a brief (three

page) report prepared by the consultant concerned, summarizing the salient findings of the country review by way of an aide-memoire.

V. Evaluation report preparation

15. The consultants will prepare the draft final evaluation report along the lines of the report outline provided in the terms of reference but will use four chapter headings as in the internal evaluation report. The main text of the report will not be longer than 30 pages. The report will be submitted to the UN-Habitat Regional and Technical Cooperation Division for presentation to the Committee of Permanent Representatives by 25 October 2006. This presentation is intended to be done by one or both of the consultants or by UN-Habitat (as required by the Committee) on or around 31 October 2006, after which the report is to be finalized, taking comments received into account. The presentation to the Committee of Permanent Representatives and finalization of the report is not part of the workplan but is envisaged to be covered under a separate arrangement, if so required.

Annex I to the Habitat Programme Manager evaluation workplan

Resource persons to be interviewed

UN-Habitat

- Executive Director of UN-Habitat
- Committee of Permanent Representatives and Governing Council representatives with strong views
- Director of the Regional and Technical Cooperation Division and directors of regional offices
- Regional and Technical Cooperation Division staff responsible for the eight countries being review in detail
- Senior UN-Habitat staff of divisions other than the Regional and Technical Cooperation Division (particularly the Office of the Executive Director, campaigns and the Global Division branch chiefs)

UNDP headquarters

- Memorandum of understanding initiator (through the UN-Habitat New York office)

Annex II to the Habitat Programme Manager evaluation workplan

Country review interviewees

- Planning ministry staff concerned with the housing and urban development sector
 - Sectoral ministry staff responsible for the housing and urban development sector
 - Specific partner agencies (particularly local authorities but depending on current and future UN-Habitat support programmes)
 - Civic groups and academia with an interest in the housing and urban development sector
 - UNDP resident representatives and their staff
 - Representatives of other partners and major donors in the housing and urban development sector
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