



**Executive Board of the
United Nations Development
Programme and of the
United Nations Population Fund**

Distr.: General
26 August 2004

Original: English

Second regular session 2004

20 to 24 September 2004, New York

Item 4 of the provisional agenda

Evaluation

**Management response to the evaluation of the second global
cooperation framework***

Summary

This management response addresses the independent evaluation of second global cooperation framework (GCF-II) of UNDP. The evaluation covers the period 2001-2003, although GCF-II has been extended to the end of 2004.

Contents

| <i>Chapter</i> | <i>Page</i> |
|----------------------------------------------------|-------------|
| I. General findings | 2 |
| II. Specific findings | 3 |
| A. Global advocacy and analysis | 3 |
| B. Knowledge networking and sharing | 4 |
| C. Policy advice, support and alignment | 5 |
| D. Management arrangements | 7 |
| III. Concluding remarks: looking forward | 8 |

* The collection of data required to present the Executive Board with the most current information has delayed submission of the present document.

I. General findings

1. The evaluation team concluded that GCF-II contributed positively to the transformation of UNDP into a more effective globally networked, knowledge-based organization. This was achieved by decentralizing policy support capacity to the sub-regional and country levels, and by using the knowledge networks to build communities of practice. The evaluation found positive results in several substantive and cross-cutting areas, including country monitoring of the Millennium Development Goals (MDGs); strengthening local environmental governance; providing access to rural energy services; a range of democratic governance initiatives; and multi-sector leadership responses generated to address the HIV/AIDS pandemic. There were also achievements in the cross-cutting areas of gender and information and communications technology for development. The evaluation team found that significant partnerships have been forged in almost all these areas.

2. Due to practical constraints, the evaluation team could examine only 10 out of 150 GCF-II projects and was unable to meet with more partners and stakeholders. As a result, some key areas of success were not highlighted in the evaluation. One of these was the leveraging of significant additional financial resources. The ratio of GCF-II resources to external funds mobilized was 1:8 for the Energy and Environment Group. Another was the introduction of methodologies and practices that helped generate new frameworks for national responses. In Cambodia, Ethiopia, Haiti and Ukraine, for example, the methodologies introduced to address HIV/AIDS influenced national policy documents, mobilized a broad cross-section of society and empowered communities to take action.

3. The evaluation also raised some general concerns relating to the overall GCF-II structure, which appears to lack a cohesive framework, functioning as a conglomerate of projects, funding mechanisms and other instruments. In addition, the demands of programme development, interspersed with internal organizational objectives, have added to management complexities and challenges.

4. These observations are germane. However, the impact of the far-reaching organizational changes within UNDP on the implementation of GCF-II may not have received sufficient cognizance in the evaluation. Such changes have affected the Bureau for Development Policy (BDP) more than any other part of the organization. Given the emphasis placed in the new Business Plan on strengthening policy advisory capacities, a large number of staff functions in BDP changed as the organization was restructured. Between the first and last years of GCF-II implementation, only a small minority of the more than 200 professional staff in BDP retained their professional functions. More than 100 were replaced as a result of post redefinition.

5. Also during that period, the Subregional Resource Facility (SURF) network was built up and strengthened, along with three global thematic centres (in Oslo, Nairobi and Brasilia). During 2004, some of the SURFs are to be merged into larger Regional Service Centres. These important changes are all designed to enhance the objectives of the UNDP Business Plan, but they have inevitably resulted in a loss of continuity in BDP.

6. There was also a gradual process of refocusing. Early in the GCF-II period, UNDP work began to be organized according to six different practice areas, five of

them the direct responsibility of BDP. These practice areas did not precisely correspond to the six objectives of the SURF, which had constituted the programming and reporting framework for the GCF until 2003.

II. Specific findings

7. The evaluation raised several more specific areas of concern:

- (a) Global advocacy and analysis;
- (b) Knowledge networking and sharing;
- (c) Policy advice, support and alignment; and
- (d) Management arrangements.

The following sections address each of those areas in turn, provide the UNDP response to the evaluation findings and recommendations and describe the follow-up actions that UNDP intends to undertake or is already undertaking. A summary of the UNDP response to the recommendations is attached as an annex.

A. Global advocacy and analysis

8. While the evaluation notes that the publication of the Human Development Report (HDR) and other reports have reaffirmed the role of UNDP as a global leader in development thinking, it also highlights the challenge of ensuring that policy work is appropriately integrated into UNDP operations and programming.

9. UNDP agrees that there is a need to review the operational implications of policy work. Where HDRs have covered UNDP thematic areas – such as democratic governance or the MDGs – BDP policy advisers have been actively involved in advising on their content. More could be done to integrate the lessons of the reports' global policy advocacy into UNDP regional and country-level policy support objectives, which the newly conceived 'Human Development Viewpoints' are intended to meet.

10. The 2003 report *Making Global Trade Work for People*, is a good example of a report that has set the platform for improving the practical policy support of UNDP to programme countries on vital trade issues. Already, it has led to the formulation of innovative regional programmes in Asia, Africa and the Caribbean. The same role has been played by major global publications on water, energy and biodiversity produced by the Energy and Environment Group. Comparable examples can be highlighted in other practice areas.

11. The bulk of research financed by GCF-II has been applied policy research, which is different from research geared to global advocacy. Although the evaluation is correct in pointing out that UNDP has limited internal research capacities, these capacities are being built up through the development of partnerships, a manifestation of which is the growing number of publications in areas of water governance, energy and legislative reform. Research is also being strengthened in

the three global thematic research centres – in Oslo for democratic governance, in Nairobi for drylands and in Brasilia for poverty.

12. The global functions of the BDP Global Cooperation Framework need further clarification. GCF-II is designed to “translate Executive Board decisions relating to UNDP’s development policy priorities into specific instruments, products and services for use by Global, Regional and Country Programmes...” (The New BDP Implementation Plan, 2000, p.4). Thus, GCF-II has supported *selective* engagement in global development research and dialogue, primarily as a means to draw lessons on how to develop new strategic directions for UNDP policies, programmes and practices. Within this perspective, the Practice Notes produced by BDP play a seminal role in translating global priorities into policy-oriented services. They constitute a key link — based on applied research and knowledge networking — between global advocacy and the provision of practical policy support, and might have warranted closer examination by the evaluation team.

B. Knowledge networking and sharing

13. The evaluation notes that a wide range of stakeholders has endorsed “the GCF-II objectives to strengthen UNDP as a knowledge-based and knowledge-networked organization” but it contends that “the diverse quality and overwhelming quantity of ‘knowledge’ products and services of UNDP can saturate the organization, erode its capacity to pursue quality work, and divert it from real development priorities” (p. 10). It goes on to argue that “the amount of knowledge that is generated and shared is directly related to individual and institutional *learning capacity*” (p. 10) and that this necessitates “strengthening the learning culture of UNDP” (p.13).

14. UNDP agrees with much of this analysis. Knowledge networking and sharing have been among the most successful services provided by GCF-II. Their most visible manifestations are the 12 thematic ‘knowledge networks’, which function as global ‘virtual’ communities of practice, exchanging experiences and best practices, generating lively discussions and dialogues on vital development issues and codifying and archiving policy and programme lessons. There are currently more than 4,000 participants in the 12 existing knowledge networks. Over half of the professional staff from all regions and levels of the organization are subscribers, as well as more than 600 members from the United Nations system and other external partners. New members join every week.

15. The Executive Board had the opportunity to witness first hand the outputs of these knowledge networks during its special session in June 2003, when several queries were posted by EB members and full reports provided on the consolidated replies received. Typically, ad hoc queries and discussions arising on the knowledge networks derive directly from a need to address a specific country concern. These queries evoke many and varied responses on the knowledge networks, providing valuable examples of applied experience from many countries. This is a unique, demand-driven service that capitalizes on the extensive field presence of UNDP. Knowledge networking does not constitute a fully fledged knowledge management system, but the experience has already helped to demonstrate that an effective global learning and sharing process can be developed with limited resources.

16. The evaluation notes that “the greatest impact of these services has been felt at the country office level, where internal capacities have been expanded, and where the COs have improved the quality and quantity of their programming” (p. 5). The evaluation correctly emphasizes that more systematic efforts should be mounted to turn UNDP into a fully fledged learning organization, especially at the country office level.

17. UNDP needs more knowledge, not less. To prevent ‘saturation’ due to a proliferation of different products and services, greater streamlining and consolidation is important. Within BDP efforts have already been under way for some time to concentrate on products such as Practice Notes and Human Development Viewpoints that will help systematize knowledge and foster greater policy and programme consistency throughout the organization. While knowledge-sharing systems such as the knowledge networks are already in place, greater attention should be paid to generating, storing and disseminating knowledge.

18. To promote greater clarity, the definition of ‘knowledge management’ should be disaggregated into its constituent functions of: (a) creating, (b) organizing, and (c) using knowledge for development results. Knowledge networks have been successful in ‘organizing’ knowledge. The production of Practice Notes and Human Development Viewpoints constitutes ‘creating’ knowledge. Policy specialists and headquarters policy advisers are working with country and regional programme staff to ‘use’ knowledge in adapting general policy lessons and programme approaches to diverse development circumstances. One of the major challenges for GCF-III will be to build strong links and synergies between these three functions.

C. Policy advice, support and alignment

19. The evaluation makes several criticisms of the attempt to provide programme countries with “policy advisory services”. It notes that “too much emphasis was given to the term ‘upstream policy advice,’” which unnecessarily raised expectations about what UNDP could deliver to programme countries to enhance national development policy.

20. The evaluation maintains that “the role of the policy specialists as policy ‘advisers’ was not generally effective, nor was there too much demand from UNDP country offices or program countries for such ‘policy advice’ services” (p. 4). Moreover, the evaluation points out that while “the out-posting of policy specialist resources was a positive move in backstopping and enhancing country office capacities and in strengthening the community and/or practice of learning”, “the delivery of [quality policy expertise] through relatively high-cost fixed salaries of policy specialist staff may not be the most cost-effective modality in all cases” (p. 4).

21. In 2000, the Administrator called on BDP to become “a service bureau providing world-class practical policy support where it is most needed – not at headquarters, but in the field”. By accumulating extensive practical experience, BDP has been engaging in a continuous process of sharpening its understanding of the ‘policy support’ role that it should play within UNDP. Differentiation between policy support and policy advice is perhaps more confusing than helpful. Moreover, the terminology of ‘policy advice’ rather than ‘policy support’ fits more within a

model of externally driven technical assistance, rather than a model geared to advancing 'national ownership' of policy design and implementation, which UNDP promotes.

22. BDP does not act alone. GCF-II supports BDP policy specialists and advisers in providing support to programme countries in coordination with country offices, regional bureaux and other UNDP units. UNDP seeks to promote greater policy choice by assisting government and other concerned national stakeholders in critically examining various options and alternatives. Where there is a lack of meaningful policy choice, UNDP will provide direct support to the provision of policy options. And in a few critically important areas where it has developed a strategic competence, UNDP will mobilize its own advisers and external experts to offer specialized technical assistance directly to governments.

23. Thus, as a service bureau, BDP works *through* the regional bureaux and country offices, not independently. Also, BDP policy specialists, who will now be housed in the Regional Service Centres, will provide policy support to governments within an overall institutional structure that includes: working through country offices; coordinating with headquarters policy advisers who can contribute global knowledge of best-practice policies and programmes; and mobilizing, where requested, the relevant external expertise drawn from regional or global networks of policy experts.

24. These experts may well spend much of their time mobilizing and working with external experts on policy support to governments and helping country offices design best-practice programmes for providing such advisory services on a continuous basis. The country-office assessment of the performance of policy specialists in these functions has generally been positive, and demand for these forms of policy support has grown considerably. The number of person-weeks of policy support services grew from 144 in January-June 2000 to 1,252 for the same period in 2003.

25. The evaluation stated that thanks to GCF-II, "UNDP programmes were more vertically integrated, linking country, regional and global programmes" (pp. 7-8), drawing on the communities of practice and practice networks, the SURFs and the role of policy specialists, and the collaboration between BDP and regional bureaux. The formation of the regional centres will enable the policy specialists to bring global best practice to bear on the design and monitoring of regional as well as country programmes. The regional centres will also facilitate the links among the GCF, regional cooperation frameworks and country programmes and respond to another concern of the evaluation: that of ensuring the optimal management of policy specialists close to the sources of demand.

26. The evaluation questions the cost-effectiveness of maintaining a network of policy specialists. This conclusion may be based on a misunderstanding of their role. The evaluation does not acknowledge the importance of their global function, namely, in supporting a two-way 'transmission belt' of adapting global best practices to country and regional circumstances on the one hand, and systematizing country and regional best practices for global dissemination on the other. The importance of maintaining a core cadre of internal policy specialists was emphasized by an earlier evaluation of GCF-I, which criticized UNDP for relying too heavily on external consultants — a practice that did little to enhance institutional learning, continuous knowledge creation or the development of substantive capacity. Such a

cadre is the basis for effectively leveraging and utilizing additional external expertise and should not be counterposed to such expertise.

D. Management arrangements

27. The evaluation maintains that the greatest weakness of GCF-II was in management. It notes that the execution and oversight of GCF-II projects are seen as generally weak and the reporting of GCF-II performance uneven.

28. UNDP acknowledges the weaknesses in execution, oversight and reporting. Part of the explanation is the unprecedented degree of administrative and human resource upheaval that BDP experienced during the period of GCF-II implementation, as referred to earlier. Other causes include the drastic and continuous changes in operational procedures, including the introduction of new execution modalities – such as direct execution – new funding modalities – such as the thematic trust funds (TTFs) – and the introduction of an entirely new financial system.

29. It should be noted that significant progress has been made on certain management challenges during GCF-II. In the early stages of the process, the urgent need to conduct a major overhaul of programme financing was recognized. There were hundreds of active projects and trust funds, yet no effective central reporting mechanism. A large number of these projects and trust funds were closed during 2001-2002. In their place, BDP created six TTFs, which, because they corresponded to the UNDP practice areas, were more closely aligned to corporate priorities and were thus easier to monitor.

30. Remaining problems in execution, oversight and reporting are being tackled aggressively. Four major initiatives being undertaken during 2004 are worthy of mention:

(a) *A comprehensive programme and financial audit* is being conducted. The results will inform decisions on how to consolidate and manage the TTFs and global projects. Of particular concern is determining how to make more effective use of the TTFs and GCF-III to help align country and regional programming behind corporate priorities.

(b) A well-staffed *Programme Support Unit* is being established in order to maintain daily financial oversight of the GCF and produce regular progress reports. The use of the new Atlas system will greatly facilitate these functions.

(c) Thirdly, BDP has already succeeded in *fully aligning its programming and reporting frameworks with the new Multi-Year Funding Framework (MYFF)*. Consistent with this effort, each of the practice groups in BDP is undertaking rigorous annual work planning. The group plans, which include specific budgets, outputs and delivery dates, will generate comprehensive annual reports. These efforts will also generate annual implementation plans that will facilitate regular monitoring and reporting to the Executive Board.

(d) BDP is *strengthening and formalizing its mechanisms of consultation and external oversight*. More systematic consultations are being held with regional bureaux, regional centres and country offices on programme content. The GCF

Advisory Board, which will advise UNDP on the strategic direction of the GCF, is also being reconstituted. It will meet again in 2004 and annually thereafter.

31. All of these measures are expected to culminate in marked improvements in execution, oversight and management that should adequately address the concerns raised by the evaluation.

III. Concluding remarks: looking forward

32. The evaluation of GCF-II has been valuable in highlighting its strengths and weaknesses, particularly in the areas of providing policy advisory services and execution, oversight and reporting. UNDP will use GCF-III to continue strengthening its support to the three major corporate services of promoting global advocacy and analysis; knowledge networking and sharing; and policy support, consistency and advice. UNDP will intensify its efforts to strengthen the links between these three services. Particular attention will be devoted to strengthening the management mechanisms that are essential to carrying out such functions.

33. The programming cycle of GCF-III, starting in 2005, will be characterized primarily by consolidation rather than by dramatic change. It will seek to consolidate the gains achieved by the sweeping changes made during GCF-II, building on the foundation of its many accomplishments and methodically addressing the shortcomings that such dramatic restructuring and realignment have inevitably entailed. There is a keener awareness of the substantial costs associated with constant reorganization and restructuring, not only for UNDP but also for its staff.

34. GCF-III will delineate a more focused strategy than that of GCF-II. The central organizing framework for GCF-III will be the priority areas and service lines of the MYFF, recently approved by the Executive Board. The MDGs provide the overarching global framework with which all the work of BDP on advocacy and analysis, policy support, and knowledge networking and sharing, will be aligned.

Annex. Evaluation of the second global cooperation framework

| Main recommendations <i>Strategic direction</i> | Response |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • GCF-III should continue to provide a two-way window for programme countries to influence and be influenced by global trends, and benefit from global knowledge in the pursuit of their national development priorities and the MDGs (DP/2004/41, paragraph 58) • UNDP should narrow the focus on one or two practice areas with a small set of secondary practice, thematic and cross-cutting areas (ibid., paragraph 58). • A more formalized consultative method for programming, programme design and allocation of resources should reflect the variable demand for services by region, sub-region and country (ibid., paragraph 58). | <p>Agree. This will be a central priority of BDP in its implementation of the corporate knowledge strategy.</p> <p>UNDP focus is provided by the MYFF. Within the MYFF, UNDP intends to place greater emphasis on those service lines that make the greatest contribution to achieving the MDGs and for which there is the highest demand from programme countries.</p> <p>Consultations with regional bureaux, regional centres and country offices on GCF programmes will be enhanced and formalized.</p> |
| <ul style="list-style-type: none"> • Criteria for use of global resources must be clear, consistently applied and sufficiently distinct from regional or country-level programming (ibid., paragraph 59). • Development objectives must be measurable, have baselines, be easily programmed and linked to the MYFF.(this applies to the GCF framework as a whole) (ibid., paragraph 59). • More attention should be given to “cooperation” through use of operational partnerships and closer collaboration with other United Nations organizations (ibid., paragraph 59). | <p>Criteria are being developed, in consultation with regional bureaux and country offices, to determine the nature and delineation of global programmes and their relationship to regional and country programmes.</p> <p>GCF-III will incorporate clearer, practical objectives aligned to MYFF priorities.</p> <p>Partnerships and inter-agency collaboration will continue to be a priority in GCF-III.</p> |
| <ul style="list-style-type: none"> • Design of GCF-III should be sufficiently flexible to respond to major changes in external and internal environments. Design should be formally reviewed and amended, if necessary, on an annual basis (ibid., paragraph 60). • Country offices should have greater flexibility in directly accessing GCF core resources (ibid., paragraph 60). | <p>Agree. The annual meetings of the GCF Advisory Committee will review the strategic direction of the GCF and make recommendations for change. The Strategic Management Team of UNDP will act as the GCF steering committee and regular progress reports on implementation will be provided to the Executive Team.</p> <p>Country offices already have quick and flexible access to TTF resources, which are significantly larger than GCF. Country offices will continue to</p> |

| Main recommendations | Response |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> GCF-III should continue to be applied to the transformation of UNDP into a knowledge-sharing, globally networked development agency (ibid., paragraph 61). | <p>benefit from GCF resources to fund pilot and innovative activities. Agree. The proposal for GCF-III will maintain that focus.</p> |
| <ul style="list-style-type: none"> The definition of policy advice should be adjusted to include the provision of a range of both upstream and downstream technical assistance and professional services in the policy domain (62). | <p>Agree. In practice, policy advice and policy support will cover a wide range of services, from upstream policy dialogue to more downstream technical support and backstopping.</p> |
| <ul style="list-style-type: none"> UNDP should continue to use programme funds for engaging policy specialists, but options should be studied to arrive at the most rational, cost-effective mix, maximizing both the quantity and quality of service (ibid., paragraph 63). | <p>Agree. GCF-III will continue to fund policy specialists. Additional policy support will be provided through partnership agreements with groups within and outside the United Nations system.</p> |
| <p><i>Improving substantive performance</i></p> | |
| <ul style="list-style-type: none"> As SURFs are integrated with the new Regional Centres, a “service model” linked to current strategies associated with knowledge management should be developed for policy-related services (ibid., paragraph 64). | <p>Agree. Policy advisers attached to Regional Centres will be expected to devote at least 40% of their time to the capture, codification and sharing of knowledge.</p> |
| <ul style="list-style-type: none"> In the new Regional Centres, serious consideration should be given to deploying policy specialist resources as close to client countries as possible, in numbers and practice areas proportionate to demand at the regional and sub-regional levels (ibid., paragraph 65). | <p>Agree. UNDP intends to deploy additional specialists to the Centres, away from Headquarters. The intention is to cluster specialists in the same physical location in order to facilitate inter-disciplinary exchange and learning; the recent experience in RBLAC shows that this is a better approach than distributing them among several country offices. However, the distribution of specialists among the individual regional centres will be strategically determined according to country needs.</p> |
| <ul style="list-style-type: none"> Collect and document achievements of SURFs as their function becomes part of Regional Centres (ibid., paragraph 66). | <p>Agree. The new regional centres will build on the experience and good practices of the SURFs, which will be captured in a review study.</p> |
| <ul style="list-style-type: none"> In GCF-III, emphasis should be placed on strengthening the learning culture of UNDP (ibid., paragraph 67). There should be continued emphasis on identifying and documenting good, innovative practices and promoting their adaptation in other countries or settings (ibid., paragraph 67). | <p>This will be an explicit priority of GCF-III.</p> <p>A central purpose of the knowledge management system will be to identify, store and disseminate good practices to facilitate an effective global learning exchange.</p> |

| Main recommendations | Response |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Knowledge networks should be made available to staff in all United Nations organizations as well as national counterparts in partner countries. There should be a deliberate policy within UNDP to encourage external knowledge sharing (ibid., paragraph 67). | <p>Agree. Successful knowledge sharing calls for building and supporting strong, well-defined communities of practice, which generate trust among their members. A UNDP knowledge management strategy has been put in place that proposes both to strengthen UNDP's internal practice communities as well as to extend knowledge networks to in-country communities and United Nations system partners.</p> |
| Practice and cross-cutting areas | |
| <p><i>Poverty:</i> UNDP needs to find niches where it has a comparative advantage and where it can effectively leverage its financial and professional resources (ibid., paragraph 68)</p> <p>Future GCF strategies should build on MDG momentum and seek ways to translate the high level of interest into a cost-effective development instrument (ibid., paragraph 68).</p> <p><i>Energy and environment:</i> Practice architecture should be mainstreamed throughout UNDP. The synergies achieved can be consolidated in the MYFF and new Regional Centre structure by:</p> <ul style="list-style-type: none"> Expanding the resource base through a combined TTF for the practice area; Achieving better knowledge extraction (through a review of the GEF portfolio for lessons learned from use of GCF core resources for data capture/analysis); Establishing a separate fund for sustainable partnerships; and Clarifying line authority of BDP regarding core funding of staff and their accountability with the regional bureaux (ibid., paragraph 69) | <p>Agree. Adjustments will be made within the MYFF, in line with country- and region-specific priorities and circumstances.</p> <p>Agree. GCF-III will have as its primary purpose the provision of applied policy support to reach the MDGs. GCF-II was formulated before the MDGs were highlighted on the basis of the Millennium Declaration.</p> <p>Agree that practice architecture should be mainstreamed throughout UNDP. BDP will continue to strengthen support to Regional Bureaux, Regional Centres and country offices in all six service lines within the Energy and Environment practice to ensure alignment. Similar efforts will be undertaken in the other practices.</p> <p>Agree. A single Energy and Environment TTF will be created.</p> <p>Agree. A review of the GEF portfolio to capture lessons and best practices, particularly related to capacity development, is already under way. GCF-III will strengthen this effort.</p> <p>Rather than creating a separate fund, UNDP is committed to allocating existing TTF and GCF-III funds strategically so that support for global partnerships can become a major driver of UNDP efforts to achieve the MDGs.</p> <p>Agree. Out-posted policy advisers will work under clear reporting arrangements agreed upon by the Regional Bureaux and BDP.</p> |

| Main recommendations | Response |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><i>HIV/AIDS</i>: UNDP's corporate strategy on HIV/AIDS must be expanded globally and scaled up within countries</p> <ul style="list-style-type: none"> • Special responses must be implemented for southern Africa and countries and regions with high prevalence rates • A new approach should be devised to measure the transformative methodologies currently being used (ibid., paragraph 71) • <i>Gender</i>: A significant commitment of resources should be made to gender mainstreaming (ibid., paragraph 72) • <i>ICT for development</i>: Important windows of opportunity for UNDP include: <ul style="list-style-type: none"> ▪ Building on the extensive UNDP capacity building experience to develop distance-learning facilities; ▪ Working in the governance field; ▪ Employment generation, women's empowerment, health education and formal education; ▪ E-commerce; and ▪ Combating HIV/AIDS (ibid., paragraph 73). | <p>The HIV/AIDS Group has launched <i>Leadership for Results</i> initiatives in 15 countries and plans to bring these actions to scale and expand to new countries in GCF-III.</p> <p>The HIV/AIDS Group will continue to prioritize support to the special circumstances in Southern Africa and worst affected countries. Support is also being provided to the WHO '3 by 5 Initiative' using <i>Leadership for Results</i> methodologies with special emphasis on Southern Africa</p> <p>Work has been initiated on new methodologies for measuring innovation and results and will be brought to fruition under GCF-III.</p> <p>To realize the objectives of mainstreaming, gender considerations will receive priority in all GCF programmes and resources allocated accordingly</p> <p>Agree. UNDP will explore these and other opportunities in order to support selected areas of intervention. ICT for development has service lines in two practices and is cross-cutting to all.</p> |
| Strengthening management | |
| <p>Determine full cost of provision of policy support and related services at the regional level. Systems should be implemented that can capture full cost of services to support analysis and reporting as well as financial planning and forecasting (ibid., paragraph 74).</p> <ul style="list-style-type: none"> • Carry out comprehensive capacity assessment of BDP (ibid., paragraph 75). • Invest resources in learning and professional development for country office staff to familiarize themselves with ongoing policy debates, research, studies and analysis (ibid., paragraph 76). | <p>Full use will be made of the Atlas system, not only to track financial performance but also to track and report on substantive outcomes.</p> <p>BDP management and organizational arrangements to deliver policy support will be reviewed and assessed once the Regional Centres have become fully operational.</p> <p>Agree. UNDP is investing increased resources in organizational learning and knowledge sharing. The Virtual Development Academy is being expanded; virtual practice workspaces are being created; virtual collaborative tools are being tested and will soon be purchased; and a top-of-the-line search engine will be available in six months to enhance</p> |

| Main recommendations | Response |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Install execution, implementation and performance management capacities (ibid., paragraph 77) • Carry out selected evaluations of existing global projects, programmes and TTFs to extract lessons and knowledge (ibid., paragraph 77) | <p>knowledge retrieval and sharing.</p> <p>Agree. A comprehensive programme and financial audit is already under way. A well-staffed programme support unit is being established which will utilize Atlas functionality for results-based management.</p> <p>Agree. The guideline will be to evaluate all those projects that collectively represent a majority of the programmable resources available under GCF.</p> |
| <p>Allow sufficient time to analyze the historic challenges and opportunities and ensure that they are properly factored into GCF-III design (ibid., paragraph 78).</p> | <p>Consultations are under way with members of the Executive Board and all major stakeholders in GCF-III.</p> |
