A REFORMED UNITED NATIONS FOR ADDRESSING ENVIRONMENT-DEVELOPMENT PROBLEMS IN DEVELOPING COUNTRIES – A CASE STUDY APPROACH

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ABSTRACT

The unsustainable use of natural resources is a serious and worsening problem world wide, affecting the life and health of many millions of people. It is seriously undermining wealth creation in many countries and contributing to violent conflicts and is also a human security problem. Such problems – where the environmentally unsustainable use of natural resources has a direct or indirect negative impact on the achievement of development objectives – are defined as Environment-Development Problems.

The UN plays a significant role in attempts to deal with environment-development problems (EDPs), leading international initiatives such as the Millennium Development Goals and leading or participating in many programmes to address them. It also has a very important role in catalysing other entities, including governments and donors, to address EDPs and other development problems. The fact that EDPs are worsening in many developing countries, particularly in Africa, raises questions about the effectiveness of the UN in addressing EDPs. The focus of this thesis is on assessing the effectiveness of the UN in dealing with EDPs and identifying ways to improve its effectiveness.

This research takes a mixed methods approach to assess the level of UN effectiveness in addressing EDPs and the reasons for UN effectiveness. The research found that, overall, the UN has been less than moderately effective in addressing EDPs but that it has achieved some successes. One success is that the UN had developed and applied an effective model for addressing EDPs that, if enhanced and applied broadly, would significantly improve UN effectiveness in addressing EDPs. The research also found that development aid design, organisational culture and complexity were significant explanatory variables for UN effectiveness. Further, it also identified programme and project implementation modalities, national capacity and donors as explanatory variables. It concluded that many of the factors inhibiting UN effectiveness in addressing EDPs are general UN factors. Therefore, significantly increasing UN effectiveness requires addressing both EDP specific and more general UN effectiveness factors.

A number of recommendations for improving UN effectiveness in addressing EDPs and more generally were made. It was concluded that if the reforms needed to significantly improve UN effectiveness are not implemented, then the UN should phase out its operational development activities, given the magnitude of the need for reform.

This research is dedicated to

Theodore 'Theo' Marama, Royal New Zealand Infantry Regiment

And to the memory of

Peter H Liotta, United States Air Force

Warriors, Teachers and Wise Men

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ACRONYMS

AWP	Annual Work-plan
BDP	Bureau of Development Policy
BOD	Biological Oxygen Demand
CEB	Chief Executive's Board
CO	Country Office
CPD	Country Programme Document
DAC	Development Assistance Committee
DALY	Disability Adjusted Life Years
DFID	Department for International Development
DSG	Donor Steering Group
EC	European Commission
ECOSOC	Economic and Social Council
EDP	Environment-Development Problem
EDPRS	Economic Development and Poverty Reduction Strategy
EEG	Environment and Energy Group
ELMS	Environment and Land Management Sector
EMINWA	Environmentally Sound Management of Inland Waters
ENR	Environment and natural resources
ESCAPE	Ecosystem-Capability Augmentation Poverty Eradication Approach
EU	European Union
FANR	Food, Agriculture and Natural Resources
FAO	Food and Agriculture Organisation
FMO	Fund Management Officer
GA	General Assembly
GC	Governing Council
GoR	Government of Rwanda
IEA	Integrated Ecosystem Assessments
IGO	Intergovernmental Organisation
IIED	International Institute for Environment and Development
ITA	International Technical Advisor
IWRM	Integrated Water Resources Management
JIU	Joint Inspection Unit
KPI	Key Performance Indicators
M&E	Monitoring and Evaluation
MA	Millennium Ecosystem Assessment
MART	Multilateral Aid Review

MDGs	Millennium Development Goals
MEAs	Multilateral Environmental Agreements
MI	Micro-Indicators
MINECOFIN	Ministry of Finance and Economic Planning
MOPAN	Multilateral Organisation Performance Assessment Network.
MOU	Memorandum of Understanding
MTR	Mid-term Review
NDP	National Development Plan
NORAD	Norwegian Agency for Development Co-operation
NPM	National Programme Manager
NRA	Non-Resident Agency
NZDF	New Zealand Defence Forces
ODI	Overseas Development Institute
OECD-DAC	Organisation for Economic Co-operation and Development – Development Assistance Committee
OIOS	Office of Internal Oversight Services
P-E	Poverty-Environment
PP	Poverty Practice
P&EP	Poverty and Environment Project
PCN	Project Concept Notes
PEER	Public Environmental Expenditure Review
PEI	Poverty-Environment Initiative
PEN	Poverty-Environment Nexus
PEP	Poverty-Environment Partnership
PMU	Programme Management Unit
POW	Programme of Work
ProDoc	Project Document
PRSP	Poverty Reduction Strategy Paper
PSC	Project Steering Committee
PTA	Problem Tree Analysis
RBM	Results Based Management
REMA	Rwanda Environment Management Authority
RRF	Results and Resources Framework
RSAP	Regional Strategic Action Plan for Integrated Water Resources Management
SADC	Southern Africa Development Community
SWG	Sector Working Group
TAG	Technical Advisory Group
ToC	Theory of Change

ToR	Terms of Reference
UCC	UNEP Collaborating Centre on Water and Environment
UN	United Nations
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDAP	United Nations Development Assistance Plan
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNDP EO	United Nations Development Programme - Evaluation Office
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
UNRC	United Nations Resident Co-ordinator.
UNSC	United Nations Security Council
UNSG	United Nations Secretary-General
VPO	Vice President's Office
WA	Wider Applicability
WD	Water Division
WP&S	Water Policy and Strategy
WRTC	Water Resources Technical Committee
WSCU	Water Sector Co-ordinating Unit

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1   INTRODUCTION

1.1   Introduction

The unsustainable use of natural resources is a serious and worsening problem worldwide, affecting the life and health of many millions of people. For example, more than 3 million people die from waterborne diseases annually (UNEP, 2007).   Unsustainable use is undermining wealth creation and contributing to violent conflicts in some parts of the world, thus threatening human wellbeing and security. The UN plays a significant role in attempts to deal with these environment-development problems (EDPs), leading international initiatives such as Millennium Development Goals (MDGs) and leading or participating in other relevant programmes. The fact that the UN has a significant role in addressing EDPs around the world and that EDPs are in many cases worsening, particularly in Africa, makes the effectiveness of the organization in carrying out its EDP initiatives an important issue. The goal of this thesis is to assess the effectiveness of the UN in dealing with EDPs in developing countries and to identify ways in which the organization could improve its approach and outcomes.

1.2   Background to the Research: EDPs and the UN's Role

Natural resources—such as soil, water, trees and fish—are key contributors to the economies of developing countries. A World Bank study estimated that 26% of the total wealth of low-income countries was accounted for by what it termed 'environmental assets', in comparison to 2% for the economies of Organisation for Economic Co-operation and Development (OECD) countries (UNDP et al., 2005). More than 80% of the population of Rwanda depends on subsistence agriculture for nutrition and 94% of its people depend on wood as fuel (Rwanda, Government of, 2007).

Given the critical role that natural resources play in supporting many countries development, unsustainable use of these assets through depletion and pollution is an extremely serious issue. For example, 950,000 square kilometres (km²) of land in Africa is threatened with irreversible degradation if nutrient depletion continues. In Malawi, soil erosion is estimated to keep about 1.9 million people in poverty. About 3 million people die every year from waterborne diseases and it is estimated that up to 30% of the total impact of illnesses in Africa is due to environmental problems (DFID et al., 2002; UNDP et al., 2005; UNEP, 2007; Yaron et al, 2011).

Environmental degradation also generates increased competition for scarce resources, contributing to political instability and violent conflict; this makes achievement of development goals more difficult. For example, violent clashes among tribes in Kenya for

pasture and water resources are an increasing problem, as documented, *inter alia,* by the UN Department of Safety and Security reports in Kenya (UNDSS, 2012). On a larger scale, arguably the conflict in the Eastern Congo is significantly driven by competition for natural resources. Clearly, environmental unsustainability and resource scarcity leads to human security problem in places, as recognised by NATO, which has supported workshops on these issues (Liotta et al., 2008; 2010).

In summary, natural resource unsustainability is both an environmental and development problem. For purposes of this research, an environment-development problem is defined as an environmental issue that has a direct or indirect negative impact on the achievement of a development goal, such as making it more difficult to reduce the incidence of waterborne diseases or to improve agricultural productivity so as to reduce rural poverty. The specific examples below clarify the concept. Figure 1 is a photograph of a grossly polluted water body in Bamako, Mali. The water is also a breeding ground for mosquitoes.

Figure 1.1: Polluted Water in Mali
(Source: Author)

Figure 2 is a photograph of people using the polluted water shown in Figure 1, not only for cleaning but also for cooking and drinking. The water is strained through cloths and boiled before personal use using wood or charcoal, because the villagers cannot afford kerosene or electricity. The incidence of waterborne diseases and malaria is much higher as a result this water pollution and use.

Pollution imposes costs, through death and illness; medicine is expensive and time spent looking after those who are sick, who are usually children, also impacts on economic productivity. Thus, this environmental problem of water pollution makes it more difficult to achieve both health and broader poverty-reduction goals.

Figure 1.2: People Using the Same Polluted Water
(Source: Author)

Figure 3 shows cultivation on a typically steep hillside in Rwanda. This form of land use is environmentally unsustainable and over time hinders achievement of development goals. The absence of terraced agriculture increases erosion, which reduces agricultural productivity, which in turn reduces rural incomes and renders achievement of food security and poverty reduction more difficult. One study in Rwanda referred to estimates that agricultural productivity was reduced by 25% over 5 years in some districts due to soil erosion (Musahara, 2006).

These are but two examples of EDPs that impact hundreds of millions of people globally. Overall, after violent conflict, the most significant causes of death and the non-achievement of the Millennium Development Goals (MDGs), including MDG1, are EDPs.

Figure1.3: A Steep Hillside in Rwanda

(Source Author)

For example, 202 million DALYs (Disability Adjusted Life Years) are lost annually from environment-related causes (UNDP et al., 2005). (One DALY is equivalent to 1 person losing a year of life, or a year of productive life, due to illness or disability – see Chapter 2 for more details).

Despite evidence of the costs of environmental unsustainability, the efforts of national governments, the United Nations, international financial institutions and multilateral and bilateral donors have largely failed to address EDPs. Millions still die every year and the water and land environment continues to deteriorate.

The UN plays a significant role in attempts to address EDPs in developing countries. It leads international planning initiatives that set global and national development and environmental priorities and targets. For example, the UN established the MDGs that include both development and environmental goals (see Appendix 1). A key role of the UN is leading or participating in the design and implementation of country programmes or projects to address EDPs. An additional key role is catalysing others, including governments and donors, to address EDPs. A number of UN agencies (for example FAO, UNDP and UNEP) have EDP-related mandates and roles in supporting countries implementing MDGs. Such mandates are reflected, or should be reflected, in UN agency programming priorities.

The UN sustains criticism for its effectiveness in general, from the tabloid-type critiques of former US Ambassador to the UN John Bolton and Fox News, to the measured, diplomatically expressed identification of faults in UN oversight and evaluation reports (OIOS, 2010; Schaefer, 2009; UNDP-EO, 2010; UNEP, 2006).

The organization has acknowledged that its effectiveness needs improvement and is taking substantive steps to achieve this, as evidenced by the ongoing UN reform process initiated under the previous UN Secretary-General. However, it is widely acknowledged that further reform is needed (Annan, 2005; Bester, 2012; Jenks and Jones, 2013). Also, improving the effectiveness of the UN in addressing EDPs or other development problems is not a specific focus of the organization's reform process and thus the potential impact of UN reforms on EDPs is not certain.

1.3 Problem Statement

The problem this thesis addresses is the serious, and in many cases worsening, EDPs in developing countries. Available data demonstrate that EDPs are serious issues due to their magnitude and their impact on the achievement of key development goals. For example, land degradation reduces agricultural productivity and makes it more difficult to achieve food security and reduce rural poverty. Water pollution causes waterborne diseases that result in the illness or death of millions of people every year.

Given that the UN System has a key role in addressing EDPs in developing countries and yet EDPs are serious and worsening in many regions, a valid research question is: How effective are UN efforts to address EDPs? A following research question is: What are the reasons for UN effectiveness or ineffectiveness? A further question is: Could UN effectiveness be improved? These questions are translated into the thesis aims and objectives below.

Effectiveness applies at different levels in the UN, reflecting its varied roles in efforts to address EDPs and other development problems. Programme and project effectiveness is the

main focus of this research. The scale of UN efforts in addressing EDPs or other development problems is another aspect of effectiveness, as how well an organisation prioritises its efforts consistent with the scale of a problem is an indicator of effectiveness. The UN has a very important role of catalysing others to address development problems, so its success in doing so is another measure of effectiveness. For example, the UN played a key and very successful role in catalysing financial support to address ozone depletion.

1.4   Aim

To: (1)   Assess the effectiveness of UN efforts to address EDPs in developing countries

(2)   Provide recommendations to improve UN effectiveness in addressing EDPs, and UN effectiveness more broadly.

1.5   Objectives

To: (1)   Describe key EDPs

(2)   Identify the role of the UN in addressing EDPs

(3)   Analyse case studies of programmes, projects and other UN efforts to address EDPs so as to assess the effectiveness of such efforts and identify factors that contribute to UN effectiveness.

(4)   Present recommendations for improving the effectiveness of the UN in addressing EDPs and the organization's effectiveness more broadly.

1.6   The Importance of the Research

This research will assess the effectiveness of the UN in addressing EDPs in developing countries and provide recommendations for improving the organization's effectiveness. As stated above, while the UN has acknowledged the need to improve effectiveness through the ongoing UN reform process, these efforts do not specifically focus on assessing and improving effectiveness in addressing different categories of development problems, be it EDPs, poor infrastructure or unemployment *et cetera*.

Additionally, the current reform efforts fail to assess the impact of organisational effectiveness factors, such as organisational culture, on overall UN effectiveness. The literature on UN effectiveness also does not address EDPs or other specific development problems, or the potential links between higher-level organisational effectiveness factors and UN effectiveness. This lack of focus raises the question of whether current reform efforts in the UN have the potential to improve the organization's effectiveness in addressing EDPs and perhaps UN effectiveness more broadly. To meet its objectives, the thesis is organized as shown below.

Chapter 1:   Introduction

The introduction provides background and rationale for the research and presents the research problem, aim, objectives and importance of the research. It also includes an outline of the thesis contents.

Chapter 2:   Environment-Development Problems and the Role of the UN

This chapter documents the nature and scale of EDPs. It provides background on the UN's overall purpose, scope and role, as well as the organization's activities to address EDPs. The focus is the two main UN agencies that address these issues, the UN Development Programme and the UN Environment Programme. The discussion includes the mandate, role and operational modalities of these agencies.

Chapter 3:   Literature Review

The review focuses on literature applying to organisational effectiveness in the context of UN effort to address EDPs in developing countries. This includes literature that: (1) relates to effective development aid design and implementation; (2) helps identify the characteristics of effective organisations, particularly organisational culture; and (3) describes complex policy problems and how to address them.

Chapter 4:   Methodology

Based on the literature review and background discussion, Chapter 4 presents a framework for assessing the effectiveness of the UN and for identifying the reasons for the assessed level of UN effectiveness. The results will form the foundation for recommendations to improve UN effectiveness in addressing EDPs and UN effectiveness more broadly.

Chapters 5–11: Analysis of Case Studies and EDP Examples

These chapters describe and assess the effectiveness of a number of EDP case studies, which are projects and programmes designed by the UN or in which the UN has played a significant role. The evaluation framework set out in the methodology chapter permits assessment of the effectiveness of each case study. The discussion identifies additional factors impacting effectiveness, including higher-level issues and governmental actions. Chapter 11 analyses other examples of activities relevant to UN efforts to address EDPs. This additional information helps validate the findings from the full case study analysis.

Chapter 12:   Problem Tree Analysis (PTA)

This chapter describes the conduct and results of a PTA based on the EDP case studies and examples. A PTA is a standard programme and project development tool used by the UN and donor development agencies to assess the causes of a problem, be they immediate, underlying, indirect or higher-level. It is also useful in identifying specific activities and broader recommendations for addressing the problem under consideration.

Chapter 13:   Discussion of Results

The results of the case study and EDP example analysis and of the PTA are discussed in terms of the effectiveness of the UN in addressing EDPs and the reasons for the assessed level of effectiveness. The applicability of the findings for other development problems is also discussed.

Chapter 14:   Conclusions and Recommendations

The final chapter summarizes the conclusions on the effectiveness of the UN and sets out the reasons for the assessment. The chapter describes key elements of an appropriate model to address EDPs and recommends UN reforms to increase the organization's ability to address EDPs and its effectiveness more generally. The chapter describes the contribution of this work and also presents suggested areas for further research.

In summary the research will: (1) demonstrate that EDPs are a key development and environment problem; (2) identify the role of the UN in addressing the EDPs; (3) ascertain the effectiveness of the UN and other key players in addressing the EDPs and the reasons for this level of effectiveness; and (4) present recommendations for improving the effectiveness of the UN in addressing EDPs and in general.

2. ENVIRONMENT-DEVELOPMENT PROBLEMS AND THE ROLE OF THE UN

2.1 Introduction

This chapter provides the background on Environment-Development Problems (EDPs) and the UN that will enable analysis and assessment of the organization's effectiveness in addressing the interlocking environmental and development issues caused by the unsustainable use of natural resources. Section 2.2 describes the causes and consequences of EDPs and identifies the links between environment and development, including in terms of the UN's Millennium Development Goals (MDGs[1]). The section also discusses difficulties in adequately addressing EDPs. Section 2.3 provides an overview of the UN, including its role, mandate, structures and key operational modalities.

2.2 Environment-Development Problems

The term Environment-Development Problem (EDP) grew out of earlier work that focused on the links between poverty reduction and environmental management. Consistent with earlier reports, the terms 'environment' and 'natural resources' are used interchangeably, and are represented by the acronym ENR. ENRs are valuable because of their assimilative capacity and as stock and flow resources, which produce things for people. For example, rivers and lakes can assimilate quantities of waste; stock resources include coal and oil, while trees and fisheries are flow resources (Bromley, 1979).

ENR problems fall into two broad categories: First, environmental degradation caused by discharges that exceed the assimilative capacity of the applicable environmental medium, e.g. the discharge of smoke or liquid waste from a factory into the air or water. Second, use in excess of maximum sustainable yield, such as overfishing, which reduces the availability of the resource for human use.

Development problems undermine the ability of people to achieve various indicators of well being as measured against the UN's MDGs. Examples are poverty, food insecurity, maternal death and waterborne diseases. Environmental unsustainability is also identified as a development problem (see Appendix 1, The Millennium Development Goals).

An EDP arises when an environmental issue has a direct or indirect negative impact on the achievement of a development goal. This impact may result from environmental externalities, such as air or water pollution, and/or from the use of resources in excess of

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[1]The MDGs are internationally agreed upon development goals, developed and adopted through the United Nations Millennium Summit in 2002 (see Appendix 1).

sustainable yields, such as overfishing or soil over-cultivation. Pollution causes illness, which makes it more difficult to achieve health-related development goals and worsens poverty. Overfishing reduces the amount of fish caught and soil over-cultivation and erosion reduce agricultural productivity, which in turn decrease food production and incomes.

The impact may be direct or indirect. For example, water pollution resulting in illness imposes direct medical costs. It can also worsen poverty indirectly because people who are ill cannot work as productively. Many impacts on development are indirect. Soil erosion reduces the level of soil nutrients, which then lessens agricultural productivity, adversely affecting yields and lowering incomes. This may also mean that children are taken out of school. In Rwanda, unsustainable cutting of forests for fuel wood increased early childhood malnutrition and the incidence of waterborne diseases. As a result, more time and effort were needed to collect fuel wood. People compensated by undercooking food and failing to boil water properly. As a result, infant malnutrition increased, since infants could not adequately digest food that was insufficiently cooked (PEI Rwanda staff, pers comm, 2007).

These examples show how EDPs have cross-sector impacts, with an EDP in one sector creating economic costs in another. In Malawi, for example, soil erosion and fertiliser runoff in the agriculture sector have caused increased siltation and weed growth in hydroelectricity storage lakes. This imposes costs on the energy sector through reduced lake storage capacity, increased scouring of turbine blades and increased expenditure to stop weed ingestion into the turbines. Such cross-sector problems require cross-sector mechanisms to address them. Thus, if cross-sector policy development and budget coordination are inadequate, the required approaches are less likely to be taken.

Box 2.1 shows how the environment is linked to a range of development goals. In essence, the link between environment and development is that natural resources such as land and water generate economic benefits and if these natural resources are used in an environmentally unsustainable manner, benefit streams are reduced. In addition to benefit loss, costs such as illness, death and reduced ability to work are frequently generated, hindering the achievement of development goals.

BOX 1
Key links between the environment and the Millennium Development Goals

Millennium Development Goal	Examples of links to the environment
1. Eradicate extreme poverty and hunger	Livelihood strategies and food security of the poor often depend directly on healthy ecosystems and the diversity of goods and ecological services they provide.
2. Achieve universal primary education	Time spent collecting water and fuelwood by children, especially girls, can reduce time at school.
3. Promote gender equality and empower women	Poor women are especially exposed to indoor air pollution and the burden of collecting water and fuelwood, and have unequal access to land and other natural resources.
4. Reduce child mortality	Water-related diseases such as diarrhea and cholera kill an estimated 3 million people a year in developing countries, the majority of which are children under the age of five.
5. Improve maternal health	Indoor air pollution and carrying heavy loads of water and fuelwood adversely affect women's health and can make women less fit for childbirth and at greater risk of complications during pregnancy.
6. Combat major diseases	Up to one-fifth of the total burden of disease in developing countries may be associated with environmental risk factors—and preventive environmental health measures are as important and at times more cost-effective than health treatment.
7. Ensure environmental sustainability	Current trends in environmental degradation must be reversed in order to sustain the health and productivity of the world's ecosystems.

Figure 2.1 Environment-Development Goal Linkages
(Source: P11, DFID et al., 2002)

Benefits, like negative impacts, are both direct and indirect. Catching and selling fish provides a direct benefit; an indirect benefit is increased electricity generation from planting forests that reduce siltation into hydro lakes. Benefits can be market or non-market, for example, selling fish is a market benefit and enhancing water quality by conserving a forest is a non-market benefit. The less non-market benefits are captured, the more likely it is that the net benefits of the sustainable use of natural resources and the links with development objectives will be underestimated and the less likely it is that action will be taken.

In developing countries, informal markets where transactions are not officially recorded are proportionately more important than in developed economies. As in the case of non-market benefits, an implication is that the larger the informal economy, the more likely it is that official statistics will understate the value of the sustainable management of natural resources and also understate the links between sustainable management and the achievement of development objectives. In turn this implies that policymakers will assign less importance to investing resources to achieve sustainable management of such resources.

Overall, the understanding of how environmental sustainability can contribute to the achievement of development goals is insufficient to generate change. Further, even where general understanding exists, experience in translating the knowledge into policy and budgets is lacking (Deputy Permanent Secretary, Ministry of Finance and Development Planning, Botswana, pers comm., 2010). This reflects in part the fairly recent focus on environment-development links, with the first substantive papers exploring the relationships between poverty reduction and environmental management published in the early 2000s (DFID et al., 2002).

2.2.1 *Measurement of Environment-Development Problems*

Measuring the impact of EDPs to a policy-useful degree of accuracy is a prerequisite to developing effective strategies to reduce their impact. Gathering this data is a three-step process requiring:

(1) Measurement of the physical dimensions of the EDP;

(2) Calculation of the economic costs of the EDP; and

(3) Calculation of the actual or potential impact of the EDP on the achievement of development goals.

Widely accepted indicators of physical dimensions of the EDP include soil erosion and deforestation rates, water biological oxygen demand (BOD), and fisheries stock decline (Hudson, 1993; Noren and Sporndly, 2009; Smith, 1999; WHO, 2011).

Standard guidelines set out the data required to provide adequate assessments of ENR problems. However, in many developing countries, the required data is unavailable, which impedes estimates of EDPs and the development of strategies to address them.

Informed decisions on policies related to EDPs require calculation of the costs and benefits of reducing or eliminating them in both economic and financial terms, including the impact on development goals. Well-established tools are available for measuring the links between environment and development at different levels. These include cost-benefit analysis (CBA) and cost-effectiveness analysis (CEA), with CEA used to prioritise options for remediation when limited funds must be strategically allocated (Hutton and Rehfuess 2006; Pearce, 1983; Squire and Van der Tak, 1972; UNEP, 1995).

More detailed and comprehensive approaches such as input-output analysis and computer-based general equilibrium modelling are also well proven (Benin et al, 2008). At the macro level, an approach such as Adjusted Net Savings measures national wealth, taking into account the negative impact of unsustainable natural resource use on net savings. This type of analysis includes measurement of natural resource depletion, as well as economic costs from externalities like air pollution (World Bank, 2014). These methods are not without

fault; however, measuring the economic impact of EDPs on people involves fewer conceptual difficulties and is more important to policy development than estimating environmental values—for example, measuring how much soil erosion reduces agricultural productivity and incomes is relatively straightforward. It is beyond the scope of this research to list and critically evaluate the tools for such assessment. However, a wide range of publications does so and broadly supports their usefulness, given appropriate application (Dietz and Neumayer, 2006; Hufschmidt et al., 1986; Noren and Sporndly, 2009; O'Connell and Hurley, 2009; Pearce, 1983; UNEP, 1995).

Overall, the published information provides adequate tools to measure the physical dimensions and the economic impacts of EDPs on people and thus to provide practical guidance to policy makers on how the environment is linked to development. Further, the above references include tools to adequately measure the costs of unsustainable natural resource use in terms of the achievement of specific development goals such as poverty reduction, food security or health. The word 'practical' is emphasised, as the objective is policy-credible analysis, not academic publication standard accuracy.

2.2.2 The Scale of EDPs

The global scale of the cost of different EDPs is extremely large, as shown below (UNEP, 2007):

- Globally 2.4 million people die annually as a result of fine particle air pollution, with 1.6 million of these deaths due to indoor air pollution.

- Globally, 20,000–50,000km^2 of land is lost annually due to land degradation, with losses 2–6 times higher in Africa.

- Approximately 950,000km^2 of land in Africa is threatened with irreversible degradation if nutrient depletion continues.

- By 2025, 1.8 billion people will be living in countries or regions with absolute water scarcity.

- Worldwide, 20% of irrigated land (450,000km^2) is salt affected, with 2,500–5,000km^2 lost from production every year as a result of salinity.

- Approximately 3 million people die of water-related diseases every year—mainly children under the age of 5 years.

A sector-specific method for calculating the health impact of EDPs is the World Health Organisation's (WHO) Disability Adjusted Life Year (DALY) tool. This tool measures the years lost due to sickness, disability or premature death (UNDP et al, 2005). For example, one DALY is the equivalent of one year of productive life lost due to disease, disability or death. Therefore, if 10 million people lose five years of productive life, this is equivalent to 50 million DALYs. Although DALYs do not include a measure of economic costs, these costs can be measured using other tools.

In terms of health, it is estimated that about 20% of all developing countries' DALY losses are due to environmental problems. The estimate for Africa is up to 30%, and 202 million DALYs are lost in the developing world, with 84 million of these in Africa (DFID et al., 2002; UNDP et al., 2005). However, global evidence is not particularly useful for persuading key economic and planning decision makers to assign a higher priority to addressing EDPs in policies and budget allocations at the national level. What is needed is specific evidence relevant to national development priorities, as shown in the examples below.

In Rwanda, the economic cost of the decline in agricultural production due to soil erosion was conservatively estimated as being equivalent to 1.9% of GDP. Since soil erosion is estimated to comprise only 15% of the total loss in agricultural productivity, with over-cultivation causing 48% of productivity loss, the total loss due to unsustainable agricultural practices is much larger (Musahara, 2006).

Another example from the same report concerns land degradation and the conversion of parts of the Rugezi wetlands. One result of this conversion was a decrease in water flow from the wetlands to the lakes that supply two hydroelectric power stations that provide 57% of national electricity supply. This reduced electricity production required introduction of load shedding and the increased purchase and use of diesel or petrol generators. As a result, electricity prices rose from 48 Rwandan francs to 120 francs per unit of power consumed, an increase of about 150%. These impacts were calculated to cost the country an extra US$65,000 per day (Musahara, 2006).

The Poverty-Environment Initiative (PEI) Malawi country programme study on the economic costs of unsustainable natural resource use produced a range of findings with respect to the costs of EDPs. For example (Yaron et al, 2011):

- The cost of unsustainable natural resource use in Malawi was estimated as 5.3% of GDP annually, equivalent to more than the combined total budget allocated to the education and health sectors.

- Unsustainable natural resource use was calculated to decrease Annual Net Savings from 12.24% to 7.14%, with this loss outweighing the gain to national wealth from educating the nation.

- Soil loss averaging 20 tons/ha/year was estimated to reduce agricultural yields by 4%–25% annually.

- Average national annual fish catch had fallen 20% between 1987 and 2007, with fish prices increasing about 3.5 times in real terms and

- Per capita fish consumption declined from 9.4kg– 5.4kg between 1990 and 2008.

2.2.3 EDPs and Poverty

A key aspect of EDPs is their proportionately greater impact on poor people in the less-developed countries (LDCs), due to the greater dependency of LDCs on natural resources:

> Environmental assets also make up a far larger share of national wealth in developing countries than in high income countries … a World Bank study estimates that environmental wealth accounts for 26 percent of the total wealth of low income countries, versus 13 percent of wealth in middle-income countries and only 2 percent of wealth in OECD countries (p9, UNDP et al., 2005).

Thirty-eight percent of the population in sub-Saharan Africa and Middle East-North Africa live on fragile lands, i.e. "land generally unsuitable for intensive agriculture but where the links to the land are critical for the sustainability of local communities and natural resources" (p49, UNDP et al., 2005). A country-specific example is from Rwanda, where nearly 87% of the population is economically dependent on subsistence agriculture and more than 94% is dependent on fuel wood for both domestic and industrial energy use (Government of Rwanda, 2007). Economic modelling carried out under the PEI Malawi economic study concluded that if soil erosion was substantively reduced below current levels, agricultural productivity would increase sufficiently to lift 1.88 million people out of poverty between 2005 and 2015, with continuing benefits beyond 2015. Further, the study found that total economic losses from unsustainable ENR use is reducing annual GDP growth rates by about 4.2% and seriously hampering broader poverty reduction efforts in the country (Yaron et al., 2011).

In summary, poor people in less-developed countries are especially vulnerable to environmentally unsustainable natural resource use that decreases asset values and benefit streams because they depend proportionately more on such resources.

2.2.4 EDPs and Human Security

Arguably the most serious impact of EDPs is that they can result in violent conflict, for example, when competition over increasingly scarce natural resources leads to armed clashes. The relationship between environment and violence is well documented (Homer-Dixon, 2001).

At one end of the scale, EDP-Security links are localised clashes between community groups over pasture and water, as is now common in Kenya. At the other end of the scale are potential international clashes over key resources such as transboundary waters. However, the UN does not focus substantively on environment and security issues; rather, Western think tanks and security agencies do. For example, the Pell Center, the Woodrow Wilson International Center for Scholars, the US military and NATO carry forward work in this arena (Liotta et al., 2008, 2010).

2.2.5 Net Benefits in Addressing EDPs

The above data indicate that EDPs are responsible for very significant costs at the national level and have a particularly negative impact on poor people. Other analysis indicates that eliminating or reducing EDPs most often results in net economic benefits. For example, WHO estimated the cost-benefit ratios set out in Table 2.1 (UNDP et al., 2005).

Table 2.1   WHO Estimates of Water and Sanitation Investment Costs and Benefits
(US$ Billions per annum)

Level of Service Provision	Cost	Benefits	Benefit-Cost Ratio
Halving the population without access to suitable water and sanitation (MDG Target)	11.3	84.4	7.5
All population has access to suitable water and sanitation	22.6	262.9	11.6
All population plus water treatment with chlorine and safe storage	24.6	344.1	14.0
All population plus in-house piped water plus in-house sewerage and partial treatment	136.5	555.9	4.1

(Source: p73 UNDP et al., 2005)

Estimates of the benefit-cost ratios (BCRs) of addressing other EDPs, such as land degradation and deforestation, vary but are largely positive. For example, a study of soil conservation programmes in Central America and the Caribbean found mixed results, with rates of return of 17% to 84%. Not all programmes had positive rates of return, but generally, investing in reducing land degradation generates a positive net benefit, even with a number of benefits not included, such as improvements in child school attendance (UNDP et al., 2005, 2005a, 2005b).

Specific country evidence of the net economic benefits from investments in addressing EDPs is presented in the PEI Malawi economics study (Yaron et al., 2011). This study calculated an Internal Rate of Return (IRR) of 62% for a sustainable forestry programme. The study further found that investments in soil conservation programmes would generate an internal rate of return (IRR) of 42%. Conservation agricultural practices were found to have a positive B–C ratio with a 50% discount rate.

Other studies confirm substantive net economic benefits from investing in addressing EDPs, but they also found that private net financial benefits are usually lower than economic benefits from a national perspective. Reasons for this include the higher discount rates used by individuals, especially poor individuals, plus public good and off-site benefits. (For

example, reducing soil erosion also reduces sedimentation in hydroelectricity generation reservoirs.)

2.2.6   *Investment Levels Needed To Address EDPs*

To date billions of dollars have been spent on attempts to address EDPs, but still these problems persist on a huge scale and in many cases they are worsening. For example, one report indicates that US$25–$30 billion is spent globally per year on water and sanitation (Annamraju et al, 2001). Estimates of funds needed to address EDPs vary widely, but credible ranges have been calculated. The World Bank estimated that between 2008 and 2015 approximately US$109 billion is needed to address global water supply, sanitation and wastewater sector needs, with about US$53 billion needed for lower-sncome countries (Water and Sanitation Programme, 2008).

Overall, UNDP and others estimated that between US$60–$90 billion per year is needed to achieve MDG7 (Environmental Sustainability) and related goals, i.e. to address EDPs (UNDP et al., 2005). This does not include funds needed to address climate change. The fact that these are not huge sums in the global context raises the question of why the applicable EDPs have not been better addressed.

2.2.7   *Reasons Why EDPs Are Not Being Adequately Addressed*

The reasons why EDPs are not being adequately addressed need to be understood to assess UN effectiveness in addressing them. This section does not attempt to identify all of these barriers, but describes the most important of them.

Perhaps the key reason why EDPs have not been satisfactorily addressed is that the environment is still seen by many countries as a luxury good, to be considered later when they are richer (UNDP et al., 2005). This view reflects in part the generally poor understanding, including on the part of policy decision makers, of the contribution that sustainability can make to poverty reduction and the achievement of other development goals (UNDP-UNEP PEI, 2007). If key decision makers who set priorities in governments, aid agencies, the UN and international financial institutions were to understand the large benefits of sustainable use of natural resources to development and poverty reduction, then a higher priority would be attached to addressing EDPs.

Thus, attempts to address EDPs should include a focus on identifying, measuring and communicating the links between environmental sustainability and the achievement of development goals (UNDP-UNEP PEI, 2007). Similarly, better understanding of EDPs' impact on security by national governments in developing countries would encourage stronger attempts to address EDPs. For example, the US State Department has made reducing poaching in East Africa a foreign policy priority due to evidence that terrorists are

gaining substantive financial resources from ivory poaching. Additional reasons for insufficient efforts to address EDPs include the significant differences between economic benefits to society and financial benefits to individuals from these investments, with the economic benefits to society much greater.

Clearly, significantly higher financial contributions are needed to address EDPs (UNDP et al., 2005, 2005a, 2005b; Water and Sanitation Program, 2008). But even if additional funding is provided, simply investing money in EDP projects will not alone solve EDPs or other development problems without appropriate governance and institutional capacity (UNEP, 1995; Water and Sanitation Program, 2008). Capacity for resource management must improve greatly in almost all developing countries to enable stronger and more effective EDP policies and initiatives. Given the linkages between natural resource sectors and the cross-sector nature of EDPs, as well as development issues in general, a coordinated, cross-sector approach is needed to address them.

The discussion above points to a broader characteristic of EDPs that contributes to the difficulties in adequately addressing them: Namely, EDPs are complex problems. A complex policy problem can be defined as a one that has a significant number of interconnected elements (Roberts, 2012). EDPs combine two fields, development and environment and have interacting economic, chemical and biological consequences. EDPs are complex also because the concept of how environmental sustainability can contribute to the achievement of development goals is a relatively new one, and consequently understanding of the threat that environmental problems pose to development or to finding the solutions has lagged. As a result, insufficient agreement exists as to the nature of the interlocking problems and viable solutions. Another complexity is that addressing EDPs requires cross-government and multi-sector changes to policy and budgetary priorities. The literature review includes a discussion of complexity as it relates specifically to EDPs, as well as possible approaches to addressing this important barrier to change.

2.2.8   EDP Discussion Overview

Section 2.2 defined EDPs and discussed their relation to achievement of development goals. It indicated the scale of the problem at the global level and provided examples of EDPs at the country level. In so doing, it demonstrates the relevance and seriousness of EDPs and their negative impact on development. Section 2.2.5 provides evidence of the net economic benefits of addressing EDPs and estimates the levels of funding needed to achieve these goals. In identifying barriers to adequately addressing EDPs, the discussion helps to define the direction for research into the role and effectiveness of the UN in addressing EDPs.

2.3 The UN and Its Role in Addressing Environment-Development Problems

The UN is a large and multifaceted organisation and any review of its effectiveness requires a basic understanding of what it does and how it works. Thus, this part of the background chapter will outline the UN's origins, purposes, principal bodies and the parameters within which it operates as the world's prime intergovernmental organisation (IGO). This description of the UN is not intended be comprehensive; rather it focuses on the elements that are most relevant to the organisation's effectiveness in addressing EDPs in developing countries, including key UN programmatic and coordination processes at the country level.

The prime UN agencies that focus on addressing EDPs are the UN Development Programme (UNDP) and the UN Environmental Programme (UNEP). Therefore, this chapter outlines the mandates, roles, governance and key operational modalities of these UN agencies. The UN's substantive reform process is aimed at improving UN effectiveness, so this chapter will review key elements of UN reform, particularly those relevant to improving UN effectiveness at the country level.

2.3.1 Understanding of Role of the UN

The following example illustrates the lack of understanding on the part of many people as to the role of the UN and the parameters within which it operates:

At a Russian Government-UN workshop in Siberia in 2006 focusing on the management of Lake Baikal and of natural resources in the surrounding Russian Republics, a senior member of the Russian Academy of Sciences outlined to UN officials in a private meeting what he described as illegal and unsustainable forestry practices. These allegedly involved shipment of logs south to China, contrary to applicable laws. He, on behalf of colleagues in the Russian Academy of Sciences, requested that the UN intervene to ensure sustainable and legal logging. When it was explained that the UN had no power to intervene unless requested to do so by the Russian Federal Government, he looked puzzled and questioned this response. The officials explained that while the UN could raise the issue unofficially with the Federal authorities they would most likely be told in no uncertain terms that it was 'none of the UN's business'. The subsequent discussion clarifying the role of the UN left the scientist questioning the value of the organisation, as his previous understanding was that the UN had a level of independent power that would enable it to take concrete action to address specific problems such as unsustainable natural resource use.

The fact that it does not have such power reflects the UN's structure as an inter-governmental organisation (IGO) made up of member states that decide what the organisation can and cannot do and that the member nation's governments have chosen to

provide the organisation with a level of autonomy and power that is less than that enjoyed by, for example, the European Commission. Examples abound of similar misunderstandings about the role of the UN, most succinctly summarised by exasperated exclamations of "*But why doesn't the UN DO something*?"

2.3.2   The Origins of the UN

The origin of the UN lies in the failure of the League of Nations and the determination of the US and UK governments during World War II, particularly Prime Minister Winston Churchill and President Theodore Roosevelt, that a more effective version of the League should be established with a focus on preventing war between states.

From its origins as an organisation focusing on the prevention of war between states, the UN has grown into an almost bewildering collection of entities. As the diagram of the United Nations System (Appendix 2) shows, the UN now consists of many different agencies, subsidiary bodies, programmes, funds and commissions (UN Department of Public Information, 2007). The different boxes and the arrows indicating the relationship among the various UN bodies also illustrate various degrees of oversight and numerous reporting lines. The diagram fails to indicate, however, that many of the agencies shown have their own governing bodies made up of member states of the UN.

2.3.3   The Purposes of the UN

The purposes of the UN are set out in the UN Charter, with the preamble clearly identifying the focus on achieving peace and security between states (United Nations, 1945). The Charter also signals an understanding of the importance of social and economic development. The limits on what the UN can do are also stated (see http://www.un.org/en/documents/charter/chapter1.shtml). Chapter 1, Purposes and Principles, is comprised of two articles: Article 1 focuses on purposes and Article 2 on principles. Inevitably, it is usually against these high-level purposes and principles that the effectiveness of the UN is judged. The key point in relation to this research is the focus on preventing and solving international problems, in particular to " maintain international peace and security" (paragraph 1, Article 1, UN, 1945). The Charter also references the mission of achieving "international co-peration in solving international problems of an economic, social, cultural or humanitarian character" (paragraph 3, Article 1, UN, 1945).

Article 2 sets out the obligations of the UN member states, with emphasis on relationships among the members. In signing the Charter and the other UN agreements on human rights, environmental protection *et cetera*, UN member states have made legally binding commitments and in theory are required to do their part to fulfil them. However, Paragraph 7 of Article 2 contains a critical qualifier, stating that "Nothing . . . shall authorise the United

Nations to intervene in matters which are essentially within the domestic jurisdiction of any state. . . ." In essence, the UN was set up to address issues between states, not within states, yet almost all development and environment problems are national-level problems and require national solutions, not interstate agreements. Ozone depletion, climate change and transboundary waters are exceptions.

2.3.4 The Principal Bodies of the UN and Their Functions

The principal bodies of the UN are the General Assembly (GA), the Security Council (UNSC), the Economic and Social Council (ECOSOC) and the Secretariat.

"The General Assembly is the main deliberative, policymaking and representative organ of the United Nations" (p1, United Nations, 2011). It is comprised of all 192 member states, each member having one vote. However, General Assembly decisions have no legal authority— that is, they are nonbinding on member states. Despite this caveat, General Assembly decisions can be interpreted as setting normative standards for how states should conduct themselves and what should be done to address various issues; in essence, the decisions can be seen as collective expressions of desired action by member states.

"The Security Council has primary responsibility, under the Charter, for the maintenance of international peace and security" (United Nations, 2011a). Unlike the General Assembly, the UN Security Council's decisions are legally binding on member states and enforcement mechanisms exist. Moreover, UNSC decisions do not require approval by the General Assembly. While the UN's role in development and environment has expanded, the UNSC role has not expanded its legal authority to cover these areas.

Although the UNSC can pass resolutions that are legally binding on member states, not all decisions are enforced. Moreover, even when decisions are enforced, such as the UNSC resolution in relation to Darfur that sent in peacekeepers, the UN still does not have wholly independent authority. For example, UN officials must still seek permission of the Sudanese Government before arriving in the Sudan and UN flights can and have been prevented.

ECOSOC is the principal UN entity for coordinating economic, social and related activities across the UN system (UN, 2011b). Its decisions are nonbinding and its policy guidance and recommendations for action are forwarded to the General Assembly. The effectiveness of ECOSOC has been repeatedly questioned, with more than a dozen proposals for reform submitted since it was established in 1945 (United Nations, 2011b).

2.4   The Secretariat

The Secretariat is headed by the Secretary-General and consists of managers and staff that carry out the work of the UN (similar to staff attached to national government ministries). A

key point is that the Secretary-General has direct line management authority only for a portion of the UN System. As of June 2010, the Secretariat had approximately 20,000 non-field staff consisting of about 9,500 professionals and 10,500 administrative personnel. The lower part of the diagram in Appendix 2 lists the entities that are directly managed by the Secretariat. Related UN entities, which include the United Nations Children's Emergency Fund (UNICEF) and the UN Development Programme (UNDP), employ another 31,000 personnel. But these figures do not include UN specialised agencies such as the UN Food and Agriculture Organisation (UNFAO) and the World Health Organisation (WHO) (United Nations, 2010). All of these other entities have their own governing bodies and some, like FAO and WHO, do not report to the Secretary-General. The World Bank and International Monetary Fund (IMF) are also part of the UN System, but have almost total autonomy.

2.4.1 *The Chief Executives Board (CEB)*

The UN System's coordinating body is the Chief Executives Board (CEB) and is comprised of all UN agencies, the World Bank and the International Monetary Fund. Located within the Secretariat and chaired by the Secretary-General and the CEB describes its role as:

> . . . the prime instrument for supporting and reinforcing the coordinating role of United Nations intergovernmental bodies on social, economic and related matters. It ensures that the UN system delivers as one at the global, regional and country levels on the broad range of commitments made by the international community (p1, United Nations, 2011c).

The following explanation as to how the UN co-ordinates appears inconsistent with the role of the CEB:

> The UN Charter's call for coordination through "consultation and recommendation" underscores the decentralized nature of the UN system. No central authority exists to compel compliance by organizations of the system to act in a concerted manner. Coordination and cooperation are contingent upon the willingness of system organizations to work together in pursuit of common goals (p1, United Nations, 2011d).

Without a central authority, it is highly questionable whether the CEB is able to "ensure delivery as one" on international commitments. (This is particularly so with respect to co-ordination between UN and the Bretton Woods institutions). In fact, the CEB appears to apply the conventions of diplomatic negotiations in carrying out its mandate, when a results-based management approach would be more appropriate.

2.4.2 *The United Nations Development Group and UN Operations at the Country Level*

Also relevant to this research is the United Nations Development Group (UNDG), whose role is to improve UN support at the country level and address EDPs such as water pollution and soil erosion.

The purpose of the United Nations Development Group (UNDG) is to:

> Unite the 32 UN funds, programmes, agencies, departments, and offices that play a role in development. The group's common objective is to deliver more coherent, effective and efficient support to countries seeking to attain internationally agreed development goals, including the Millennium Development Goals (United Nations Development Group, 2011).

Established in 1997 and operating through a secretariat, the UNDG seeks to achieve its objectives by designing the modalities and standards by which the different UN development-focused agencies operate and coordinate at the country level. As study of the UNDG website demonstrates, the group has prepared a comprehensive set of guidelines covering all the essential elements needed to secure coordinated UN support in-country. The consensus among UN staff is that these guidelines are good or very good. However, the UNDG has no line management authority to ensure compliance with its guidelines. Furthermore, there is no UN System-wide development doctrine to create a common understanding and unity of effort in carrying out its mandate (Nagl, 2002; NZDF, 2008).

At the country level, the key person responsible for the coordination of UN activities is the UN Resident Co-ordinator (UNRC). A core goal of the UNDG is strengthening the UN Resident Co-ordinator's system. Consistent with the UN model of operating by consensus, the UNRCs do not have line management authority over the various UN agencies operating in the country. As commented at a UN Country Team meeting, the job of the UNRC is like "herding cats—with one or two feral cats always in the herd". The UNRC is usually also the UNDP country Resident Representative, i.e. manager, and thus is often grossly overworked.

At the country level the prime mechanism for coordinating UN Country Team (UNCT) support to the government is the UN Development Assistance Framework (UNDAF) and its associated implementation plan. Each UNDAF is expected to take up to one year to prepare, approve and then apply over a five-year timeframe. Participation in the UNDAF formulation process is time consuming and for agencies like UNEP that are not resident in many countries, substantive contribution to the UNDAF process is difficult. The UNDAF establishes priorities for the UNCT, consisting of the overall desired results or outcomes expected from UNCT support to the country and the agencies responsible for delivering specific outcomes. It also develops the programmes each in-country agency intends to implement to achieve the UNDAF results, which are often conditional on availability of funds. It focuses on supporting the government to achieve its national development priorities, which the UN will have helped to formulate (UNDG, 2011a).

Effective, coordinated implementation of the UNDAF is key to UN effectiveness at the country level. However, the UNRC has no line management authority to decide what the various UN agencies should include in the UNDAF or to direct UN agencies to prepare one

joint common country UNDAF implementation programme. If there is not agreement between UN agencies to prepare a common programme, each agency prepares its own UNDAF implementation programme. Nor has the UNRC any line management authority over other agencies' budgets, even if the agencies are contributing to a common country UN System programme.

A key reason why the UNRC does not have such management authority is lack of an agreement in the General Assembly that the UN should move to a single UN programme for each country rather that countries should be invited to apply this modality on a voluntary basis. The report of the Secretary-General Ban-Ki Moon to the General Assembly in 2009 stated:

> The United Nations development system has little experience with the development of common country programme documents, although considerable experience exists in preparing United Nations Development Assistance Framework (p15, Moon, 2009).

This statement indicates that 65 years after the establishment of the UN the organization still does not require its agencies to prepare one UN System programme at the country level.

In summary, the UNDG has designed the necessary processes, procedures and accompanying guidelines for coherent, results-based delivery of UN support at the national level. However, consistent with the UN's commitment to consensus-based decision-making, neither the UNDG nor the UN Resident Co-ordinator has the line management authority or the budget to ensure implementation of its systems. This situation substantially constrains the ability of the UNDG and the UNRC to improve UN effectiveness at the country level.

2.4.3   Results Based Management (RBM) in the UN

The prime management system used across the UN System is Results Based Management (RBM). RBM is defined as "a broad management strategy aimed at achieving improved performance and demonstrable results" (p10, UNDP, 2009). A more detailed definition is found in a document from the UN Center for Reform and Education:

> Results-based management (RBM) is a management approach focused on achieving results and outcomes and implementing performance measurements. It attempts to integrate strategy, people, resources, processes and measurements to improve decision-making, transparency, and accountability (p69, Center for UN Reform Education, 2008),

The RBM approach is intended to coordinate planning with monitoring and evaluation, with a focus on achieving results rather than carrying out activities (such as a workshop) or the delivery of outputs (such as a workshop report). The underlying principles and detailed design of the RBM process recognises the links between a good development aid design and a results-based organisational culture (UNDG, 2011b; UNDP, 2009). RBM is of key

relevance to this research as it includes the methodology and detailed guidelines for the design of UN programmes and projects. It is also used in a similar manner by almost all donor agencies and developed country governments. RBM was adopted by governments like Canada in the early 1990s and by the GA in 2000. (Note that the Secretary-General did not have the management authority to introduce RBM across the UN System without GA approval.)

The application of RBM and the achievement of results by the UN are complicated by the fact that the organisation is often working with one or more partners in a project or programme, with the results dependent on action by all. If UN partners do not carry out the tasks for which they are responsible it is more difficult for the organization to be effective. Thus the RBM and other manuals describe how the UN <u>contributes</u> to a result, rather than being <u>responsible</u> for achievement of a result (UNDP, 2009).

While there is ongoing debate about specific elements of RBM, a broad level of agreement exists among the UN and development agencies on the appropriate application of RBM, including the belief that detailed guidance for project and programme planning will improve UN effectiveness. The exhortations by donors that the UN improve its application of RBM, rather than change its RBM system, is evidence of this consensus, for example, Norway and Sweden contribute financial support to improve UNEP's application of RBM.

The application of RBM varies and even in agencies where its use is relatively advanced, a stronger culture of RBM still needs to develop (UNDP, 2009). This means that RBM has yet to be sufficiently internalised as a core operational modality and culture in UN organisations. The literature review will include a discussion of RBM and its use by the UN.

2.5   The UN's Prime Environment and Development Agencies

This research focuses primarily on the United Nations Environment Programme (UNEP) and the United Nations Development Programme (UNDP), the prime UN System agencies dealing with EDPs. Sections 2.5.1 and 2.5.2 outline the roles, governance modalities and approaches of these organisations. Both have participated in environment and development initiatives at the global, regional and national levels. Both have roles in designing and implementing their own programmes and projects and in catalysing governments and donors to address problems.

2.5.1   *United Nations Environment Programme*
UNEP was created in 1972, following the Stockholm Conference on Human Environment. It is located in Nairobi, Kenya, and is the UN System's "voice for the environment" (UNEP,

2011). It also includes the statement "Environment for Development" on its home page, which reflects a more recent emphasis introduced in the late 1990s.

The UNEP states that its mission and approach are:

> To provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and people
>
>   To achieve its mission, UNEP focuses on:
>
> - Assessing global, regional and national environmental conditions and trends;
> - Developing international and national environmental instruments;
> - Strengthening institutions for the wise management of the environment;
> - Facilitating the transfer of knowledge and technology for sustainable development; and
> - Encouraging new partnerships and mind-sets within civil society and the private sector (UNEP, 2011).

UNEP's activities are structured around six priorities:

(1) Ecosystem management

(2) Environmental governance

(3) Resource efficiency

(4) Hazardous wastes

(5) Climate change and

(6) Disasters and post-conflict initiatives (UNEP, 2007; UNEP 2009).

The agency is structured into divisions that do not correspond to the six priorities listed above, with coordination based on a matrix management system. UNEP staff comment on the complexity of the management lines and the lack of clear accountability. For example, the directors of UNEP's regional offices do not have management authority over other UNEP divisions in their regions, whereas their equivalent in UNDP does have such authority.

UNEP's Programme of Work is developed at HQ, with input from the UNEP regional offices. The vast majority of UNEP's budget is controlled from UNEP Headquarters (HQ). Traditionally, UNEP's mission has consisted of assessing the state of the environment at national, regional and global levels, as well as providing normative support to governments on designing environmental policy and law through regional and subregional programmes. This support includes preparing guidelines on, for example, drafting environmental legislation; these are developed in stages with substantive input from a number of technical experts and validated by government officials in regional or sub-regional workshops. The UNEP runs training workshops on the use of the guidelines, with some limited support on implementation provided directly to a small number of countries. A key aim of this approach is to catalyse governments to develop and fund programmes and projects to

improve environmental management on their own. This approach reflects UNEP's mandate and also the relatively low level of the agency's resources, which means that substantive country operations are often not financially realistic. It also reflects the fact that UNEP has no enforcement authority, unlike the European Union, which can compel member states to meet environmental standards.

UNEP has an annual core budget of about US$90 million and additional annual noncore extra-budgetary resources of about US$110 million, generating an average annual budget of about US$200 million. The agency had a total of 1,187 staff as of June 30, 2010, comprised of 500 professionals and nearly 700 administrative personnel (United Nations, 2010). The agency allocated between US2.0m and US$2.5m per year of noncore resources to directly address EDPs between 2005 and 2011. This budget supported two staff on core posts, plus 3 to 5 additional personnel on project-funded posts. Thus, the level of resources for addressing EDPs is very low. Furthermore, UNEP's size and budget are dwarfed by the magnitude of global environmental problems. As a member of the UN Secretariat, UNEP is also nominally under the Secretary-General, but it is member states that approve its programme of work and budget, not the Secretary-General.

UNEP Headquarters is in Nairobi, with one of its divisions located in Paris. In addition, the agency has regional offices in Panama, Geneva, Bangkok and Washington. It also maintains an office in NY at UN Headquarters (UNHQ), and operates a limited number of country offices in China, Russia, Brazil and South Africa. Since UNEP is not a resident agency in developing countries, the agency finds it challenging to address EDPs by itself.

2.5.2   *United Nations Development Programme*

UNDP is the UN System's prime development agency and was established in 1965 with the mission of supporting countries to address global and national development issues (UNDP 2011). UNDP supports countries on a number of priority goals as stated in the agency's Strategic Plan 2008–2011:

(1)   Achieving the MDGs and reducing human poverty
(2)   Fostering democratic governance
(3)   Supporting crisis prevention and recovery
(4)   Managing energy and the environment for sustainable development and
(5)   Addressing cross-cutting development issues such as gender empowerment and capacity   development   (UNDP, 2008).

While it also has a normative role, UNDP is predominately an operational agency, providing technical assistance for meeting these goals at the country level. Country offices, under the relevant regional bureaux, allocate the vast majority of UNDP's budget. The structure of UNDP at the HQ, regional and country levels is aligned with these priorities. For example the UNDP country office usually has a poverty unit and an environment unit.

UNDP maintains offices in 177 countries and has an annual budget in excess of US$5.0 billion. Its staff number approximately 8,400, with about 5,500 being international professional category staff (UNDP 2010; UN 2010). As with other UN agencies, its programme and budget are approved by member governments, not the Secretary-General.

Of all the UN agencies, UNDP is arguably the most experienced with RBM, having introduced it in 1999. In terms of the actual or potential UNDP focus on addressing EDPs, the key UNDP entities are the Poverty Practice (PP) and the Environment and Energy Group (EEG). The Poverty Practice does not have an explicit focus on integrating the environment into its work; however, EEG has a focus on how sustainability can help achieve development goals. UNDP initiated the Poverty Environment Initiative (PEI) as a result of this focus. UNDP's work on environment is a small part of its overall budget, with the core resources of EEG less than US$2.0m per annum. The total EEG non-Global Environment Facility (GEF) budget totalled US$27.0m in 2010 and declined to US$16.8m in $2011. The difference between core and total is comprised of trust fund resources that are received from donors and tend to be earmarked for specific programmes. In 2011, a total of US$742,000 in core and trust fund resources was allocated to environmental mainstreaming, the category that directly addresses EDPs and in 2011 funded three professional staff.

UNDP has the most comprehensive network of support to countries on environment issues of any UN agency. Almost every UNDP country office includes an environmental unit. These units usually consist of one or two professional national staff and associated administrative support. In some UNDP country offices an international professional staff member heads the unit, but this is unusual due to financial constraints.

Poverty reduction is the key priority for all parts of UNDP. The Poverty Practice supports this goal through development and testing of methodologies to achieve poverty-reduction. The Poverty Practice does not itself implement poverty-reduction projects or programmes; rather it assists UNDP country offices to apply poverty-reduction methodologies.

Overall, UNDP is the UN agency best placed to address EDPs at the country level, but in the face of multiple demands two evaluations found the agency wanting in pursuing this mandate. One of these was a UNDP environment and energy programmes report; a later evaluation assessed UNDP's work in addressing the poverty-environment nexus (PEN), with the latter particularly relevant to the topic of this research (UNDP E.O. 2008; UNDP E.O. 2010).

2.5.3   UNDP-UNEP: Comparative Notes

Addressing EDPs requires an integrated environment-development approach; consequently the two UN agencies with the prime focus on environment and development should be

working together. However, differences between the two agencies impact on their collaboration, diminishing the effectiveness of their efforts to address EDPs.

The most obvious differences are that UNDP has much larger resources and is predominantly a country- based operational organisation, whereas UNEP is primarily a headquarters-based normative organisation. Another difference is that UNDP HQ is in New York, and UNEP's is in Nairobi. The distance between the two locations inhibits cooperation between the two agencies. Moreover, the Nairobi office faces significant challenges related to the capacity of the host country; these include availability of suitable local staff, serious violent criminality and the high transaction costs of living in a developing country. An analysis of the UN states "the location of UNEP headquarters in Nairobi has proved to be a mistake and an embarrassment that lasts until today" (p163, Kennedy, 2006).

Additionally, the two agencies operate incompatible program and financial management systems. UNDP uses a results-based integrated programme-financial management system called ATLAS. UNEP uses the standard UN Secretariat system, which is not due to replaced by a full results-based system until 2015. Even when it does, the new system will not be compatible with UNDPs. In addition, UNDP has a four-year planning and budgeting cycle, while UNEP operates on a two-year cycle.

Of the two programmes, UNDP has substantially longer experience with RBM. RBM is fully integrated into UNDP operational modalities and its staff are generally familiar with the approach, even if an RBM culture has yet to be adequately developed. UNEP is still in the process of integrating RBM into its systems, including those for project design and reporting. This lower-level integration of RBM systems and culture is reflected in the DFID MART review, where UNDP scores higher than UNEP in the relevant MART assessment criteria (DFID, 2011a). A consequence of incompatible management systems is different project design, implementation and monitoring procedures, impeding cooperation and increasing transactions costs.

UNDP and UNEP also have different approaches to management. UNDP's management model reflects its country-level focus and longer experience with RBM. This agency operates in a substantially more decentralised manner, with management decision-making and accountability delegated to lower levels within UNDP.

UNEP and UNDP also do not coordinate development of their respective agency environment programmes. To enhance cooperation between the two agencies, an UNDP-UNEP Memorandum of Understanding (MOU) has been adopted (Appendix 7). Although the MOU came into effect in early 2008, implementation of key elements has been very slow (see Chapter 11 for additional analysis on the MOU). The need for an MOU to improve

cooperation between two UN agencies is a telling comment on UN System-wide coherence in itself. Finally, as part of its support to improving cooperation between the two primary EDP agencies, the UK commissioned a study of the management systems of both agencies in 2006 through UNEP. The result culminated in a series of recommendations to decrease extra work around these operational incompatibilities (Dahlberg, 2006). These recommendations have not been implemented.

2.6   United Nations Reform—The Quest for Greater UN System-wide Effectiveness

UN reform is relevant to this research since it is a tacit acknowledgement on the part of the organisation and its member states that its effectiveness needs to be improved. Existing UN reports identify reasons for ineffectiveness and suggest strategies for improvement, thus providing important input into this research.

Various reports on UN effectiveness and associated UN reform efforts have appeared over the last four decades. For example, a 1969 report identified a number of barriers to UN effectiveness and the UN development system: "The machine as a whole has become unmanageable in the strictest sense of the word. As a result, it is becoming slow and more unwieldy like some prehistoric monster" (Jackson, 1969, quoted on p3; Browne and Weiss, 2013). Since then, additional roles have been assigned to the UN development system by member states.

The previous Secretary-General Kofi Annan accelerated attempts at reform and these continue under the current Secretary-General, although at a slower pace. The various reform reports have produced a substantial number of concrete proposals to improve the effectiveness of the organisation at various levels, including at the country level (Annan, 2005; High Level Panel, 2004; High Level Panel, 2006). However, the majority of the recommendations from the reform reports have not been implemented (Centre for UN Reform, 2008; MacQueen, 2010). The previous and current Secretary Generals also commissioned more targeted UN management reform initiatives focusing on the Secretariat.

Continuing and accelerating efforts at reform over many years reflect the recognition that the UN has not delivered the results that the member states expected of it at different levels. Broadly, the reform reports focus on three areas: (1) high-level structural and functional reform, targeting the General Assembly, ECOSOC, the UN Security Council and the Human Rights Council; (2) UN management, including RBM, ethics, human resources, financials and audit; and (3) UN System-wide coherence, at both the higher agency and country levels. High-level panel recommendations include amalgamation of agencies and at the country level the One UN initiative, now known as the Delivering as One (DaO), stands out. This

reform has not included any focus on improving co-ordination between the UN and Bretton Woods institutions.

This reform is relevant to this research as it recognizes the need for reform relevant to addressing EDPs. For example, one reform report states that the UN's work on development and environment is "often fragmented and weak. Inefficient and ineffective governance and unpredictable funding have contributed to policy incoherence, duplication and operational ineffectiveness across the system" (p1, High Level Panel, 2006). This report referenced the need for improved coordination and the integration of environment into national development strategies. The report also recommended strengthening UNEP and developing a stronger partnership between UNEP (normative) and UNDP (operational) (High Level Panel, 2006). However, while UNEP has been strengthened, other higher-level reform proposals have not yet been implemented.

UN management reform has made more progress, with substantive efforts under the current Secretary-General, the UNDG and individual agencies to strengthen the application of RBM. However, as noted above, those efforts have met with mixed success, both in terms of RBM systems and developing an RBM culture (Bester, 2012; UNDG, 2011b; UNDP, 2009). Reasons for this disappointing record include the fact that Secretary-General does not have the line management authority to require agencies to improve their use of RBM. The inadequate implementation RBM directly reduces the effectiveness of UN programme and project design.

Improvements to UN System-wide coherence at the country level are also highly relevant to UN effectiveness in addressing EDPs. Some progress has been made, particularly in UN redesign of systems to improve UN coherence. For example, as indicated in the section on the UNDG above, the organization has produced comprehensive guidelines and processes to improve UN system planning and implementation at the country level. However, these are applied on a voluntary basis; neither the UNDG, nor the UN Resident Co-ordinator at the country level, has the line management authority to ensure the application of the new strategies across the UN agencies in-country. Likewise, neither the UNDG nor the Secretary-General has the mandate to address other key coordination and effectiveness issues at the country level. For example, different UN agencies have incompatible electronic management systems, as well as different procurement regulations and budget cycles. In addition, it is suggested that some UN staff and senior managers in different agencies do not strongly support the UN reform agenda (Center for UN Reform Education, 2008). Consistent with this view, the former UNEP Deputy Executive Director commented on how some other senior managers did not seem sufficiently committed to improving UN

coherence following a UN deputy heads of agency meeting on Delivering as One (Cropper, 2008).

A key reform focus was the 'One UN' initiative, which recommended the consolidation of UN efforts at the country level; specifically, this called for one UN leader, one UN programme, one UN budget and, where appropriate, one UN office for each country (High Level Panel, 2006). Beginning with eight pilot programmes, the target was One UN in 40 countries by 2010, to include establishment of a multiyear funding mechanism for each. As described earlier, the current approach is for each UN agency to develop and budget its own agency country work programme independently, for example, UNEP and UNDP do not coordinate their respective country environmental activities. However, the number of official DaO countries has not increased beyond the original eight pilots. Nevertheless, a growing number of countries have taken substantive voluntary steps to improve UN System-wide coherence (High Level Tripartite Conference, 2010; Kavanagh and Mahiga, 2008).

Unfortunately, One UN/DaO reform and UN reform efforts in general have been characterised by tensions between member states, in particular between North and South, as well as a lack of acceptance by member states of the more substantive recommendations. Indeed, even reform recommendations to increase the management authority of the Secretary-General have not always met with approval. (For example, the Secretary-General needed GA approval to introduce RBM and to redeploy 50 Secretariat staff members (Center for UN Reform Education, 2008). Many attempts at reform at different levels have foundered in the "deep waters of vested interests among both the membership and the employees of the organisation. There has therefore been only scant change in the form of tangible reform to date" (p163, MacQueen, 2010).

For example, in the GA substantive concerns and opposition from some G77 countries about the DaO agenda at the country level have been voiced. The issues include opposition to the possibility that the DaO model might be made the country-level standard, becoming, in effect, an aid conditionality. The G77 insisted that the DaO agenda should be entirely voluntary. As the General Assembly's Co-Chairs on UN System-wide coherence reported to the GA, a number of member States "insisted that the process must be voluntary and led by national governments.. . . Any changes which were envisaged must be entirely voluntary. . . [and] under no circumstances could they accept any conditionalities being attached to the delivery of development assistance (p11, Kavanagh and Mahiga, 2008).

These views have remained steady through successive GA resolutions with respect to the improvement of System-wide coherence (see UNGA, 2008; UNGA, 2008a). As a result, no System-wide approval mechanism for formal adoption of the DaO approach across

programme countries exists. Since the 2008 report, increasing evidence indicates that the UN reform process has slowed at the country level, affecting donor funding. Attendees at a UN Country Team retreat in Malawi in 2011 were warned that donor patience was running out at the slow pace of UN reform (UNCT Malawi, 2011). The slow pace also reflects that UN reform at the country level involves a great deal of work, not least as the higher-level factors that inhibit improved coherence are not being addressed. Inadequate assistance for UN Country Teams, including insufficient staff in the offices of UN Resident Coordinators, is also a significant issue inhibiting reform progress (Cropper, 2008).

The urgency of the need for reform and frustration over its lack of progress is frankly expressed by former senior UN officials, academics and think tanks. For example, "the UN system remains more wasteful and weak than it should be . . . .much of what passes for reform is wishful thinking" (p 1, Browne and Weiss, 2013). "The structure today is just not fit for….the challenges of today" (p104, Jenks and Jones, 2013). Overall, UN reform is unlikely to address fundamental issues within the UN System, given the lack of progress in implementing the recommendations made to date. Improvements to management systems within the existing powers of the Secretary-General, such as the continued efforts to implement RBM and bring incremental improvements, will probably continue.

The lack of progress in implementing UN reform recommendations is not due to their being inappropriate. Indeed, it is widely acknowledged that most are necessary to make the UN more effective, including at the country level (Centre for UN Reform Education, 2008). Rather, key reasons for the lack of progress in implementing most reform recommendations include " the central tension that characterises the UN as an institution . . .there is an inescapable stress in the balance of authority and interests between the institution on one hand and on the other its sovereign independent member states which both regulate it and are regulated by it" (p161, MacQueen, 2010). This stasis can be interpreted as meaning that many member states do not want a more effective UN. Other key reasons lie with senior UN management, with claims of a reluctance to support substantive reform or to use the opportunities within the existing UN structure to improve the organisation's effectiveness and in particular to improve coordination between agencies (Centre for UN Reform Education, 2008; Moon, 2008).

2.7   The Implications of UN Structures, Mandate and Operational Modalities for Addressing EDPs at the Country Level

The UN was established to prevent war between states and the UN's original mandate, structures and operational modalities are consistent with that defining mission. Since its establishment, the organization's role has grown hugely at the request of member states, as

has the number of UN System agencies and other bodies. Addressing development issues, such as poverty and food security, are now key priorities for the UN System. The role of the UN in addressing environmental issues has also increased markedly since the early 1970s.

While the role of the UN has expanded greatly, the high-level structures, operational modalities and authority of the Secretary-General and UN agencies relevant to addressing these new roles have not changed to any substantive degree. Nor have the operational modalities of the UN undergone any substantive change. Paragraph 7 of Article 2 of the Charter still applies and heavily restricts the ability of the UN to intervene on intrastate issues. This has important implications for addressing EDPs, which in the main are country-based, domestic issues. In addition, the modalities necessary to successfully address national environment and development issues are different from those needed to secure peace.

The essence of ending or preventing international conflict is inter-state diplomacy, i.e. negotiations, compromise and mutual agreement. Once an agreement is reached, hostilities cease via orders to soldiers to lay down their weapons. Costs are reduced as soon as peace is agreed to and the fighting stops. That is, economic incentives are aligned with the desired solution, peace.

Conversely, however, in addressing development problems, including EDPs, an agreement to a strategy is not an end in itself, but rather a foundation for further steps toward the development goal. Unlike a peace process, addressing such problems is expensive and demanding; it also usually requires a substantive timeframe. Genuine progress requires technical assistance, policy and law reform, increased budget allocations, reform of the public sector and removal of economic distortions and capacity development—none of which is easy, and together presenting a daunting challenge.

Further, most EDPs require national solutions, yet the UN's structures and authority are designed primarily for addressing international security problems, with sharp restrictions on its role at the national level. Another consideration is that key components of solving many EDPs, such as overfishing, water pollution and soil erosion, are bound by the laws or facts of biology and engineering, not the protocols of diplomacy. For example, when the EU member states agree on fisheries quotas, if the agreement is for a higher catch figure than the sustainable yield the problem of unsustainable fishing will continue.

The lack of enforcement authority is a central issue. The UN Secretary-General and other senior management, including UN Resident Co-ordinators, do not have the power to enforce implementation of the various development and environmental commitments to which member states have agreed. This is despite that, in signing the Charter and the other UN agreements, UN member states have made legally binding commitments and are in theory

required to do their part. But mechanisms to hold them to account are weak, except in the case of the UNSC. Members of the UN Secretariat seldom openly remind member states of their obligations, despite the many cases where such obligations have not been fulfilled. In 17 years of experience at the UN this researcher has witnessed only three occasions when, in the face of inadequate delivery on their responsibilities, UN senior managers have reminded member states of their obligations in open meetings.

Thus, the characteristics of EDPs and other development problems combine with the fundamental characteristics of the UN to decrease the effectiveness of the organisation. While UN reform aims to rectify some of the issues, as indicated in Section 2.6, experience suggests that it is unlikely that key recommendations to improve UN effectiveness will be implemented. Moreover, the key issue of inadequate co-ordination between the UN and the Bretton Woods institutions is not being focused upon.

One may be tempted to see the UN's ability to be effective, including in addressing EDPs at the country level, as critically compromised by the issues discussed above. However, despite these, the UN has achieved, or substantively contributed to, notable successes in some arenas, for example, in addressing ozone depletion and polio. Many lower profile successes could also be cited at the project and programme levels. Through the analysis of the case studies, this research will identify factors within the existing constraints that, if applied widely within the UN, could substantially increase the organization's relevance and impact.

2.8 What the UN Actually Does at the Country Level

The chapter does not provide a detailed picture of the kind of activities that the UN carries out at the country level. Therefore to provide such a picture, Appendix 3 contains the annual report letter from the UN Resident Co-ordinator in Malawi to the Secretary-General and an internal analysis of the political, social, economic and environmental situation in Malawi (Dictus, 2012). The internal analysis provides an excellent example of the context and challenges the UN faces in attempting to improve development, social and environmental indicators at the country level. Issues such as political instability, low capacity, poor governance, corruption and poor economic management all affect the UN's ability to ensure programme and project effectiveness.

2.9 Summary

This background chapter has defined EDPs and set out their scale and causes. In doing so it demonstrates that EDPs are serious and worsening issues. It has also outlined the UN role in addressing EDPs. In providing background on the UN, this chapter has indicated the parameters within which the UN operates and through summarising key elements of UN reform, it identifies some key factors impacting on UN effectiveness at the country and

higher levels. In doing so it will assist this research to identify reasons for UN effectiveness in addressing EDPs in developing countries and to identify recommendations for improving UN effectiveness at both programme and higher levels.

3.   LITERATURE REVIEW

3.1   Introduction

This chapter identifies the characteristics of effective organisations in the context of development aid. The findings will assist in designing a methodology to evaluate the effectiveness of the UN in addressing Environment-Development Problems (EDPs) in developing countries. The chapter reviews literature on general organisational effectiveness to identify key characteristics of effective organizations. It then conducts a more targeted review of the literature to identify the most important organizational elements enabling groups to address EDPs in developing countries. The review includes a focus on development aid design, organisational culture, and policy complexity as likely important explanatory variables for UN effectiveness in addressing EDPs.

A clear understanding of what factors contribute to organisational effectiveness, and more particularly effectiveness in addressing complex development problems like EDPs in developing countries, will support identification of the reasons why programmes and projects are effective or not. It will also enable this research to assess whether an effectiveness factor is a specific EDP programme or project issue or a general organisational issue.

3.2   Characteristics of Effective Large Organisations

The Oxford English Dictionary defines effectiveness as "the degree to which something is successful in producing a desired result". A key question for the literature review is whether a consensus on the characteristics of organizational effectiveness exists. If it does, this is a sound basis for focusing the literature review on identifying characteristics associated with organizational effectiveness in addressing EDPs in developing countries. This foundation will enable development of a methodology to assess the organisation's effectiveness in addressing EDPs.

A very large body of literature exists on organisational effectiveness, employing a wide range of approaches. These include the use of in-depth analysis of individual organisations involving detailed, repeated interviews; the development of general models; and desk-based assessments using a range of criteria and indicators.

Although debate continues on the characteristics organisational effectiveness, a broad consensus has emerged on the key elements enabling organizations such as the UN to achieve their goals. For example, Smith (2010) lists ten factors that contribute to organisational effectiveness:

1. Clear specification of roles, responsibilities and procedures
2. Open and active commitment to quality at all levels
3. Willingness to engage in self-evaluation
4. Clarity and consistency of procedures
5. Explicit responsibilities for quality control and quality assurance
6. Emphasis on obtaining feedback from a range of constituencies
7. Clear commitment to identifying and disseminating good practice
8. Prompt, appropriate and sensitive managerial action to redress problems, supported by adequate information
9. Prompts continuous improvements; and
10. Includes the specification of standards and acceptable evidence
   (p14, Smith, 2010).

Hatch (1997) lists the following six factors that combine different variables for determining the effectiveness of organisations: organisational (i) structure (ii) culture (iii) strategy (iv) history (v) resources and (vi) the external environment. Client orientation.is also a key feature in organisational effectiveness (Mullins, 2010; Hatch, 2006), and this element is reflected in the development aid literature (OECD, 2011; UNDP, 2009).

The literature regarding the effectiveness of non-profit organisations is especially relevant to this research. While this literature is less than comprehensive, other sources provide good guidance on how to assess non-profit effectiveness. For example, the Paul Rapoport Foundation lists a number of the features that characterize effective charitable organisations (Rapoport, 2011).

Anthony Knerr and Associates (2003) have provided organisational development support to a number of large non-profit organisations, including the World Bank, and they have identified

> ….a set of common characteristics essential to institutional effectiveness and healthiness that cut across differences in organisational mission, culture, history aspirations programme structure and organisational design…
> 1) Mission: a clear, concise and compelling mission that is well understood by all parties, internally and externally, and unrelenting and rigorous management to the realization and execution of that mission.
> 2) Leadership: continuing strong leadership at both the governance and executive levels.
> 3) Strategic Thinking: central and continuing attention to longer-term strategic matters, manifest by strategic plans that are well executed and reflected in sophisticated and successful fundraising efforts.
> 4) Programmes: Activities and services of the highest quality that embody the mission and reflect the organisations strategic thinking, with results that are tangible, easily measured and effectively communicated.
> 5) Communications: Relentless emphasis on communications and focus on branding and image, both internally and externally.
> 6) Technology: Effective use of technology for governance, communications, visibility, fundraising, financial management, evaluation and assessment and general administration.

7) The Basics: Up-to-date by-laws, clear organisational design, sound budgeting and rigorous financial planning and reporting (p1, Knerr, 2003)

The literature also indicates that effective organisations work together towards a common goal using the same approach and standard operating procedures, which are clearly understood and applied by all. This can be referred to as "…the conventional wisdom of an organisation of how to perform its task and missions" (p6, Nagl, 2002). This understanding needs to be codified—resulting in what is called "doctrine" in the military— so as to provide an organisation with "…a common philosophy, a common language, a common purpose and a unity of effort" (p7 1.2, NZDF, 2008). The UN does not have the equivalent of doctrine.

A report by the UK's Department for International Development (DFID) focuses on assessing the effectiveness of multilateral organisations like the UN against their stated mission and on their cost- effectiveness. The components and criteria listed in the assessment framework are consistent with a number of the characteristics of organisational efficiency referred to above (DFID, 2011a). These characteristics include:

- A clear strategy and appropriate implementation plans
- Effective leadership
- Quality control and quality assurance, and
- Transparency and accountability.

The DFID applied this assessment framework to a range of multilateral organisations, including UNDP and UNEP. Selected projects, programmes and management systems, including the application of results-based management (RBM) were among the factors assessed. The report identifies strengths as well as weaknesses in different multilateral agencies.

Another approach to assessing the effectiveness of large organizations is employed by the Multilateral Organisation Performance Assessment Network (MOPAN) (www.mopanonline.org). MOPAN periodically evaluates a range of multilaterals, including the UN Development Programme (UNDP) and the UN Environment Programme (UNEP). "MOPAN defines organisational effectiveness as the extent to which a multilateral organisation is organised to contribute to development results in the country in which it operates" (p1, MOPAN, 2010). It bases its assessments on interviews and online surveys reflecting how relevant stakeholders at the country and headquarters levels perceive the organisation. It also evaluates key organisational documents, such as reports, project documents and strategic plans. MOPAN evaluates the effectiveness of organizations in terms of the following four management variables, referred to as 'dimensions', or 'quadrants' of organisational effectiveness:

- Strategic
- Operational
- Relationship and
- Knowledge.

Each quadrant is evaluated through a series of Key Performance Indicators (KPIs) and the score for each KPI is calculated from a set of Micro-indicators (MIs) (MOPAN, 2010). For example, under Strategic Management, the KPIs and MIs focus on results-based management, while the importance of monitoring and improving performance is reflected in Operational Management.

A potential weakness of the DFID and MOPAN methodologies is that their lack of comprehensive assessment of agency programmes or systems may impede in-depth understanding of the agency to provide an accurate assessment of organisational effectiveness. This is a weakness in both the DFID and MOPAN methodologies is reinforced by the work of Schein, Trompenaars and others. Their work highlights the need to gain in-depth understanding to accurately assess an organisation's effectiveness (see Section 3.4).

Nonetheless, the DFID and MOPLAN methodologies provide a useful model for identifying the characteristics of effective multilateral development aid organisations and thus assist in designing a methodology for assessing the organisational effectiveness of the UN in addressing EDPs. However, the methodologies of these organisations should be augmented so as to gain an in-depth understanding of UN effectiveness and the reasons for it.

More focused and specific guidance on organisational effectiveness in the context of this research is contained in UN and donor agency publications, including project design manuals (Bester, 2012; Binnendijk, 2000; DFID, 2003, 2011; Bass and Renard, 2009; OECD, 2009; NORAD, 1999; NORAD, 2005; UNDG 2011; UNDP, 2009; UNDP, 2011a; UNDP 2011b; UNDP-UNEP PEI 2009). These publications provide guidance on broader development agency organisational effectiveness and on effective programme and project design. A number indicate the need for both appropriate management systems and organisational culture to achieve organisational effectiveness in addressing development problems (Bester, 2012; Hummelbrunner and Jones, 2013a; OECD 2009; UNDP, 2009; UNDP-EO, 2007).

In summary, the literature reflects a broad consensus on the characteristics and factors that contribute to organisational effectiveness in the general sense. Effective organisations have clear objectives; effective leadership; focus on results; base operations on strategies and plans; and have adequate resources. Further, the literature finds that appropriate monitoring systems that support learning and adaptation are important organisational effectiveness

characteristics. The literature also provides methodologies, including indicators of effectiveness. What this means in terms of this research is that accepted characteristics and criteria can be used or adapted to assess the effectiveness of multilateral organisations like the UN. While there is little literature on organisational effectiveness in addressing EDPs in developing countries, some literature on addressing complex development problems exists, and EDPs were identified as complex development problems in the background chapter.

A more targeted review is also necessary as there is a very wide range of factors that contribute towards organisational effectiveness as well as a vast literature on organisational effectiveness. To adequately cover all the literature relating to organisational effectiveness is neither practical nor necessary to assess UN effectiveness in addressing EDPs. It is not necessary as most of the criteria can be grouped under broader categories; for example, with reference to Smith above, factors 2, 3, 6, 7, 8 and 9 fall substantially under the organisational culture category. Secondly, it is not necessary as the focus of this research is on development aid effectiveness.

In consideration of all of the above, the more targeted literature review focuses on the following three elements that are considered to be particularly relevant to UN effectiveness in addressing EDPs in developing countries: (1) development aid design; (2) organisational culture; and (3) the complexity of EDPs.

3.3   Development Aid Design

3.3.1   Rationale for Focusing on Development Aid Design
This section reviews literature to identify good practices in development aid policies, programmes and projects. These findings will support the design of a methodology to assess UN effectiveness and identify the reasons for its performance. Thus, to assess UN effectiveness and its contributing characteristics, it is necessary to understand the key elements of effective development aid design and implementation. Further, the category of development aid design includes a number of factors that contribute to organisational effectiveness identified in Section 3.2, including an appropriate strategy, results-based approaches and techniques for monitoring performance.

3.3.2   Development Aid Design Literature
This review covers literature applying to different levels and elements of development aid, including overall aid effectiveness, higher-level policy issues and the design of effective individual programmes and projects. The discussion begins with literature applying to the higher policy issues level and progresses to the programme and project level. Initial focus on higher-level policy issues creates the broad context for design of specific programmes and projects.

3.3.2.1 Higher-Level Development Aid Literature

Development aid is the transfer of resources on concessional terms (Cassen, 1994). This process includes a wide range of programmes, ranging from food aid and infrastructure development to technical advisory services (for example capacity building for integrated water resources management—IWRM). An umbrella or higher-level issue is whether development aid can be effective in the general sense. If the literature indicates that development aid is generally ineffective, this suggests that the UN is unlikely to be effective in addressing EDPs.

The literature reflects an ongoing debate regarding the effectiveness of development aid, as well as the criteria that must be met to ensure effectiveness (Burnside and Dollar, 2000, 2000a, 2000b; Burnside and Dollar, 2004; Collier and Dollar, 2001; Collier and Dollar, 2004; Dollar, 2001; Easterly, 2007; Guillaumount and Chauvet, 2001; Hudson, 2004; Moyo, 2010; Mosley, et al., 2004; White, 2001). The debate includes on "how aid has such an impact and …how it should be allocated optimally" (p189, Hudson, 2004). The more recent literature shows an increased focus on defining detailed conditions that need to be met for aid to be considered effective (Banerjee and Duflo, 2011). On balance, the evidence supports the view that aid can be conditionally effective, and that more attention to ensuring that appropriate conditions are incorporated into aid design and implementation increases the probability of success (Collier and Dollar, 2001; 2004).

Development aid effectiveness is also influenced by the country context within which programs operate. Considerable research on the impact of national policy on aid effectiveness indicates that 'good' policy can increase aid effectiveness (Burnside and Dollar, 2000; Dollar, 2001; World Bank, 1998). However, a substantive debate continues on the definition 'good' policy. "While numerous writers have over the years suggested that a link between aid and policies might be present, disagreement has always existed about the identification of exactly which policies are crucial" (p199, Dalgaard et al., 2004). This consensus suggests that UN effectiveness is more likely if policy in the recipient country is 'good', assuming that good policy is identified appropriately.

The literature suggests that even if aid disbursement focuses on countries with good policy, this does not guarantee more effective development results. Countries with a higher proportion of 'bad' policies may be associated with a higher proportion of poor people and lower institutional capacity, so shifting aid to good-policy countries may decrease the proportion of aid going to the poorest people and the ability of poorest countries to improve their policies and institutions.

A relevant question is how effective aid is in encouraging the adoption of good policies, which in turn will presumably lead to improved aid effectiveness. Collier and Dollar conclude "there is no systematic evidence that more aid has led to better policies" (p257, Collier and Dollar, 2004). However, these authors also refer to research suggesting that in countries with many poor policies and institutions, focusing aid on two or three reform priorities, especially those that could generate quicker benefits, will increase the likelihood of aid leading to improved policy. Leonard indicates that identifying and supporting pockets or potential pockets of excellence in developing country governments should be a priority and can increase aid effectiveness (Leonard, 2010). In an annual review of aid effectiveness, the World Bank concluded that its support has contributed to policy reforms where there was an existing trend of improvement, but that "Bank support for policy reform was less successful in countries where there was no favourable trend to reinforce" (p39, World Bank, 2004).

Another relevant question is whether attaching conditionalities to development aid increases effectiveness. The research finds that applying conditionalities does not appear to have been effective in improving policy or aid effectiveness for a variety of reasons, including that aid conditionalities are not fully implemented (Morrissey, 2004). Mosley et al., (2004) suggest that a more subtle use of conditionalities could be quite effective. However, the focus in the literature is on conditionalities for higher-level aid agreements, rather than project-level initiatives.

Some research indicates that aid appears to be more effective in democratic states (Kosack, 2003; Rodrick, 1999). Factors influencing the effectiveness of aid also vary according to the type of assistance. Dollar (2001) finds that good policy in the aid recipient country is particularly applicable to the effectiveness of financial aid, which involves the transfer of cash or provides credit lines, but that technical aid is most effective where a real demand for institutional change exists, even where policy is poor.

Langhammer (2004) refers to the key role of institutions and incentives in aid effectiveness, and considers that this element is insufficiently recognised by, for example, the World Bank. (The term 'institutions' in this context includes government agencies, their associated mandates, capacity, the policy and legal frameworks, as well as the processes they operate within, influence and/or design). Other work on the importance of institutions offers a clearer picture of factors to improve aid effectiveness (Easterly, 2002). Robinson and Torvik (2005) examine the role of institutions, making, *inter alia*, the link between political will and institutions, and commenting that the needs of the poor are only one priority of the political elite. Torvik concludes that we do not have a clear understanding of how institutions should be structured for aid effectiveness. Since Langhammer published his concerns about

insufficient focus on institutional issues, the literature has focused more on the impact of developing country institutions on aid effectiveness.

A consensus has emerged that institutional failures (both relative and comprehensive) play a key role in determining aid effectiveness. As Paul states: "While first perceived as a simple problem of resource scarcity, it has now been recognised that under-development is mainly rooted in institutional failures" (p14, Paul, 2006). This article reviews the theoretical economic literature on aid and further identifies as important political processes that engage in competitive rent seeking, as well as the incentives applying to developing country counterparts and to donor agencies. It recommends that aid design should "seek to improve agents' incentives to use aid effectively" (p1, Paul, 2006). Leonard (2010) discusses the characteristics of effective institutions in weak states and the impact on development aid effectiveness in a paper that supports the findings quoted by Paul. Implications are that where institutions are strong, development aid is likely to be more effective and that a UN focus on strengthening institutions is likely to improve development aid effectiveness, but such institution building will require longer-term capacity development programmes.

Closely related to institutions is the issue of governance, with the influence of bad governance on development aid effectiveness a substantive theme in the literature. However, while general agreement exists that bad governance inhibits the effectiveness of development aid, differences of opinion persist about the most effective ways of encouraging good governance (Easterly, 2006; Collier, 2008). Corruption is the most obvious form of bad governance and is well documented as a very serious problem in many developing countries. For example, the former British High Commissioner to Kenya, Sir Edward Clay, accused the Kenyan government of "vomiting all over our shoes" with respect to donor aid (p202, Wrong, 2009).

A former senior World Bank official, Easterly, and colleagues (Easterly 2007; Easterly and Pfutze, 2008) analysed UN and other multilateral aid agencies and listed several factors that diminish organisational effectiveness. These include (1) the fragmentation of aid efforts; (2) a lack of monitoring for results (3) inappropriate choice of policies and institutions to support; (4) continuing failure to learn from past mistakes, and (5) a lack of transparency in reporting results.

Review of the literature identifies a large number of other factors impinging on aid effectiveness, and taking these issues into account when designing development aid projects and programmes will make success more likely. These factors summarise analysis contained in a wide range of sources (e.g. Cassen, 1994; Collier & Dollar, 2001, 2004;

World Bank, 1998). Other sources include internal UN papers and discussions amongst UN and other aid officials. Factors include:

Elitism in aid disbursements and use:
Aid use is prioritised to meet the needs of the government elite. For example, aid is focused on large-scale infrastructure projects, which offer improved opportunities for corruption or patronage. Another example is the promotion of privatisation in a country where lack of transparency and/or appropriate markets restricts broadly based participation in the privatisation process. As a result, elites benefit from discounted share prices or similar issues. Tribalism can also result in distorted aid disbursements.

Distortion of local economic conditions:
For example, raising costs faced by the private sector through increased demand and inflationary pressures. In Kenya, where the UN has two agency headquarters (UNEP and UN-Habitat) plus many other UN agency country or regional offices, one UN report stated that the organisation brought in foreign exchange equal to 19% of all Kenya's export earnings (UNRC Kenya, 2006).

Fungibility
Aid may end up replacing money the government would have spent on programmes anyway, so that money that was due to be spent on a specific programme is spent elsewhere, perhaps less productively.

Disincentives for improving the effectiveness of government policy and institutions
Donors can create levels of 'aid dependence' when aid becomes a substitute for improved efficiency in government. For example, government can place less emphasis on tax collection if aid partially fills budgetary gaps.

Failure to design aid according to country conditions
As the World Bank puts it, "Where Bank programmes have not been well aligned with country conditions, there has been substantial risk of failure even when the ownership environment was otherwise favourable for Bank support" (p39, World Bank, 2004). Country conditions that can have a significant impact on aid design range from physical to the personal characteristics of leaders. The experience of the UNDP-UNEP Poverty and Environment Initiative and other donors is that a great deal of effort in gathering 'development intelligence' to comprehensively understand country conditions is very important (UNDP-UNEP PEI, 2007).

Lower political accountability for leaders
This is particularly the case where aid is provided on ideological grounds. Governments receiving a substantive amount of aid can cushion the negative impacts of political

leadership, and if corruption is significant leaders can send funds overseas to prepare for 'a rainy day'.

Negative impact on relative economic competitiveness

Aid can result in an overvalued currency if floating exchange rates are in operation; it can also result in relatively higher inflation.

Insufficient commitment of government officials

Although aid officials frequently discuss this issue at informal or semiformal levels, it is inadequately reflected in official aid manuals. The official assumption is that with the application of good aid design and implementation practices, including the appropriate participatory approach and alignment with country needs and priorities, relevant government officials will be committed to the effective use of development aid. However, Government officials in developing countries may have mixed levels of commitment to the successful implementation of aid projects for reasons that are exogenous to the aid project. For example, developing country government officials usually receive very low salaries—a director-level senior official may receive only $300 or $400 a month. At the very least this can create a lack of enthusiasm for the time-consuming, results-based management of complex aid projects, no matter how relevant the project is to addressing country needs. Low salaries also create incentives to take a second job or engage in rent-seeking behaviour or outright corruption with respect to aid funds. In many cases this reflects basic needs issues, such as the education of children, rather than a predisposition to illegal behaviour.

The World Bank identified a number of elements that should be reflected in project or programme design and implementation to support success under difficult circumstances. These elements are based on four case studies (World Bank, 1998): (1) Find a champion; (2) Have a long-term vision of systemic change; (3) Support knowledge creation; and (4) Engage civil society. Agencies should focus on long-term reform, and donors should work as partners rather than competitors. The Bank also concluded that aid agencies should be "More self-critical—agencies continuously should be asking themselves: Why do we do what we do? And what is the impact? (p119, World Bank, 1998).

The various initiatives and publications of the Organisation for Economic Co-operation and Development – Development Assistance Committee (OECD-DAC) provide substantive guidance on factors and processes to improve aid effectiveness, including that of that UN. The OECD's guidance includes with respect to high-level principles, such as the Paris Declaration on Aid Effectiveness and the Busan Partnership for Effective Development Co-operation as well as the application of results-based management (RBM) and capacity building for improved natural resources management (OECD, 2009; OECD, 2012; OECD,

2015). Examples of the aid-effectiveness factors identified by the OECD include ensuring national ownership and using national systems, a focus on results, transparency and shared responsibility and developing an appropriate organisational culture for aid effectiveness in donor agencies.

3.3.2.2 Programme and Project Development Effectiveness Literature

The literature on aid programme and project effectiveness helps identify the factors needed for the design of effective initiatives; additionally, the literature suggests methods for measuring the level of effectiveness achieved. This approach will enable identification of the reasons for overall UN aid effectiveness in addressing EDPs through analysis of any patterns and comparison with broader factors for organisational effectiveness. The assumption here is that if UN programmes and projects are generally well designed and implemented consistent with UN and donor guidance, they will be effective and have a significant positive impact and validate general UN effectiveness.

The review finds a number of operationally proven guidelines for the effective design and implementation of aid programmes and projects. Further, study of UN and donor manuals indicates a strong correlation between donor and UN agencies on how to design and implement effective aid projects and programmes (Bass and Renard, 2009; DFID, 2003; DFID, 2011; OECD, 2009; NORAD, 1999; NORAD, 2005; UNDG, 2011; UNDP, 2009; UNDP, 2011a; UNDP, 2011b; UNDP-EO, 2007; UNDP-UNEP PEI, 2009). Such manuals and other publications provide key guidance for designing a methodology to assess the effectiveness of UN activities that address EDPs.

Review of project management literature indicates broad consistency between private-sector and UN development aid manuals, but with some key differences. For example, the private sector places more emphasis on clear lines of authority and responsibility for project management and oversight than does the UN—i.e. "there should be one project manager who plans, monitors and controls the project" (p73, Roberts P., 2012). Further, Roberts advises that a representative of a project sponsor acting as the driving force for execution of the initiative usually chairs the project steering committee (Roberts, P., 2012). In the UN development aid context, project oversight and management are less clear-cut, due to the need to have joint aid agency/UN-Government management arrangements. For example, although the aid agency or UN is the project sponsor, the country Government chairs the project steering committee.

Many of development aid programme and project manuals focus first on higher-level programming principles and practices, and then move to key elements and steps necessary

for successful individual programmes and projects, using principles based on Results-Based Management (RBM) (DFID, 2003: UNDP 2009).

Consistent with the World Bank's view that individual projects do not have much impact unless they spur systemic change, the manuals promote a programmatic response rather than a project one. In practice, this means that the UN and other agency development assistance projects are optimally part of an integrated programme where aid initiatives are mutually reinforcing to maximise impact.

In addition to adopting a programmatic approach, the literature identifies a number of additional factors that should be reflected in country-level programme design to ensure effectiveness. These include government commitment and leadership, plus meaningful involvement of stakeholders in planning, implementation and monitoring (UNDP, 2003; 2009).

In the UN System and in the aid agencies the core approach for the design and implementation of programmes and projects is RBM defined as "a broad management strategy aimed at achieving improved performance and demonstrable results" (p10, UNDP, 2009). The key aim of RBM is to ensure a focus on generating results, rather than on producing outputs. RBM consists of planning, monitoring and evaluation, and is designed to be a learning and adaptive system, where ongoing lessons are fed back into programme and project implementation through ongoing monitoring.

Key steps in the planning for effective development aid programmes and projects include a stakeholder and a problem analysis. The stakeholder analysis ensures that the appropriate groups are properly involved in project design and implementation and a problem analysis ensures that the problem and its components are clearly understood and prioritised. A situational analysis is another component that includes the results of the problem analysis and an analysis of the institutional, policy, political economy and development aid context applicable to addressing the problem. Another key component is a strategy, or plan of action, to achieve the desired programme or project results.

RBM uses a results chain approach consisting of inputs-activities-outputs-outcomes for programme or project design. Inputs like money and staff time are used to carry out activities such as paying consultants to produce a report, which is then used to generate impact. For example, a report on the economic cost of environmental degradation is used to persuade Government to allocate more resources to reduce such degradation.

A monitoring system and the identification of risks are other components necessary for effective programme and project design. The UN and other aid agency manuals highlight the importance of monitoring and learning throughout the programme or project planning cycle.

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Ideally, effective RBM involves ongoing feedback through monitoring, learning at the individual and corporate levels from this feedback and adapting to improve effectiveness-- that is, "doing, learning, improving" (p11, UNDP, 2009). Indicators of achievement with benchmarks and targets are used to monitor progress against the desired result, and it is critical that these benchmarks are not just relevant but are also actively monitored and the results of the monitoring are fed back into the system.

The results or logical framework summarises the key elements that need to be included in designing a programme or project, including the inputs, activities, outputs, outcomes, indicators of achievement, baselines and targets, plus means of verification for indicator achievement (DFID, 2003; DFID, 2011; UNDG, 2011; UNDP, 2009). All elements need to be appropriately incorporated to ensure successful programme and project outcomes.

A key point about RBM is that it brings together development aid programme and project design and organisational culture, stressing the requirements for both appropriate development aid design and a results culture (Bester, 2012; Binnendijk, 2000; OECD, 2009; OIOS, 2008; UNDP, 2009).

The literature indicates that the UN and other donor agencies face a number of challenges with respect to RBM. These include uneven or insufficient capacity within UN agencies for RBM, inadequate senior management leadership for RBM and challenges in internalizing a results culture (Bester, 2012; OECD, 2008; OIOS, 2008; UNDP, 2007; UNDP-EO, 2007). The Office of Internal Oversight Services (OIOS) states: "Results-based management at the United Nations has been an administrative chore of little value to accountability and decision-making," with the report indicating the major problem as being the failure to apply RBM appropriately (p1, OIOS, 2008). While the UN has a challenge in addressing poor performance in the application of RBM by its staff, so too do bilateral donors, with references to donor agency performance management systems creating disincentives for RBM and excessive risk aversion (Bester, 2012; OECD, 2008). Further, a comparison of publications on the use of RBM in the UN published in 2000 and 2012 indicates persistent challenges with the use of RBM (Bester, 2012; Binnendijk, 2000).

While the UN and other aid agencies universally accept RBM as the appropriate management strategy for programme and project design, there are criticisms of the approach. These include that RBM, and in particular the results or logical framework, is linear in nature, whereas many development policy problems are complex and require a modified approach (Datta et al., 2012; Jones, 2011; Ongevalle van et al., 2012). The linear nature of RBM is reflected in the inputs-activities-output-outcome-impact results chain approach of RBM. A development aid professional states:

> Any effective intervention would have to recognise and respond to more complex relationships underlying performance – patterns of personalised influence, the power of cadre interests and interactions at the administrative/political interface…The problem with many projects and programmes is that they allow a linear model of targeted and programmed implementation to override careful consideration of effective means of intervention within complex patterns of causality in society….To be effective in non-linear systems means putting purposeful action to work to produce, enhance, catalyse, the flows, the swirls, the waves, the ebbing tides – the fractals of complexity (p421, Curtis, 2004).

These criticisms are not explicitly referenced in UN RBM guidelines. However, the UN and donor RBM manuals appear to implicitly acknowledge the validity of some of these criticisms, including that the linear nature of RBM is not appropriate for addressing complex development policy problems. For example, RBM places a great deal of emphasis on continuous monitoring and the use of monitoring results to learn and improve project implementation. Ongoing development of RBM suggests a recognition of the need to take a more comprehensive and less linear approach; more recently, RBM manuals refer to the need to carry out a Theory of Change (ToC) exercise so that the manner in which the programme or project aims to bring about change is clearly understood, rather than assumed.

Valid as the criticisms of RBM are for designing programmes and projects to address complex nonlinear development problems, no comprehensive alternative is identified in the literature. The majority of the literature does not advocate dropping RBM, but rather advocates enhancing it. Overall the literature indicates that, while RBM systems are not perfect, their appropriate application combined with development of a results culture will significantly contribute to programme, project and overall organisational effectiveness. Thus, we can conclude that for the purposes of this research, RBM-based programme and project manuals and other publications provide useful and detailed guidance to assist in the preparation of a methodology to evaluate UN effectiveness in addressing EDPs.

Further guidance on what is required for UN programme and project effectiveness is provided by evaluation reports. Overall, these indicate that inadequate application of approved programming procedures is a key cause of under-delivery, rather than the procedures themselves. Factors such as the lack of adequate co-ordination, inappropriate objectives, inadequate assessment of country conditions, inadequate resources and insufficient government ownership are reasons why projects and programmes have not been effective. In terms of addressing EDPs, two UNDP evaluations recommend adopting a more strategic focus, rather than taking a project-by-project approach (UNDP-EO, 2008; 2010).

Another element that impacts on programme and project effectiveness is that the UN operates alongside a wide range of other development aid agencies in the country. Fragmentation and duplication of development aid efforts is a major problem, including

between UN agencies. The former Norwegian Minister of International Development stated to the UN Chief Executives Board in 2004 on the issue of donor fragmentation: "What is the reality? In Tanzania prior to the major donor reform there, the Minister of Finance had to supply almost 10,000 reports to donors every year and received 2,000 delegations, all of whom expected to meet top officials" (p2, Johnson, 2004). The need to better coordinate UN and donor aid activities is reflected in the Paris Declaration on Aid effectiveness, which urges, *inter alia*, that donors harmonise aid efforts (OECD, 2011). In terms of this research, the implication is that UN effectiveness will be enhanced by adequate co-ordination with other UN and aid agency programmes plus with existing government processes.

3.3.3 Summary of Development Aid Design Literature

The literature concludes that aid can be conditionally effective. It demonstrates that there is strong consensus on how to design effective development aid programmes and projects and it provides detailed guidance on how to do so. The literature also demonstrates strong consistency between UN and other aid agencies on the design of effective programmes and projects. Thus the literature review provides more than adequate guidance on the factors necessary for effective development aid programme and project design and thus for design of the methodology to assess UN effectiveness.

There are some gaps in the literature. Although the literature identifies organisational culture as an important component of organisational effectiveness and UN and other development agency manuals refer to the importance of organisational culture in the context of RBM, there is little or no research focusing on the potential links between organisational culture and development aid effectiveness. Further, there is little guidance on how to create a results culture.

An additional gap is that the UN and other aid agency manuals do not adequately address the influence of higher-level policy and political-economy issues on programme or project effectiveness and how to deal with these issues. Nor is the complexity of many development aid policy issues explicitly or adequately reflected in the literature on development aid programme and project design, including RBM manuals (see section 3.5).

Further, based on experiences in the UN, this researcher is left with the view that the literature on aid effectiveness fails to come to grips with key factors as to why aid succeeds or fails. For example, the literature on development aid effectiveness does not explain how the implementation modalities of a programme or project impact on effectiveness. This contrasts with the military, which recognises implementation modalities as a key success factor, as reflected in the saying, "A bad plan well implemented is better than a good plan badly implemented". A well-designed project can still fail if it is not implemented correctly-

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-for example, if there is insufficient technical advisory support at the appropriate time, or if there is poor monitoring of progress and/or poor responses to emerging problems. Conversely, a badly designed project can still succeed if there is proactive technical advisory support, good monitoring and immediate response to problems.

Additionally, as comprehensive as they are, the UN and aid agency manuals do not adequately cover key issues that impact on project effectiveness that are the subject of much informal discussion by UN and donor staff. These issues include the level of real commitment of government counterparts. Nor does the literature, including UN manuals, give an accurate indication of the huge effort needed to successfully address many development aid policy problems, which are caused partly by the inter-action of factors that are beneath the surface and inconsistent with the observable artefacts. "Stubborn persistence and attention to detail" are underrated success factors in the public policy arena (Financial Times, 2007). The analysis of case studies is intended to be detailed enough to bring out any such key factors.

3.4   Organisational Culture

3.4.1   Rationale for Focusing on Organisational Culture Literature

Organisational culture is widely recognised in the literature as a significant determinant of broader organisational effectiveness. For example, literature referred to in Section 3.2 includes organisational culture as an important factor in organisational effectiveness, with some of the literature identifying a range of criteria for organisational effectiveness that fall within the category of organisational culture. Additionally, UN and donor aid agencies recognise the importance of organisational culture to organisational effectiveness by their use of RBM, which links systems and procedures with organisational culture. The UN and donor aid agencies also highlight the need to develop a results-based culture for programme, project and broader organisational effectiveness (Bester, 2012; UNDP, 2009). The Secretary-General has identified UN culture as a factor inhibiting UN effectiveness, and Allan has identified institutional culture as a factor inhibiting national park management (Allan, 2008; Moon, 2008). Thus, organisational culture is potentially a key explanatory factor in UN effectiveness.

Additionally, under the umbrella of organisational culture a number of other key elements of organisational effectiveness identified in the literature and referred to below can be considered. These include leadership, as well as whether key procedures and systems such as RBM have been embraced by the organisation.

The literature indicates that the term 'organisational culture' denotes the accepted way an organisation does things. What is accepted in an organisation (its culture) is key to

understanding why it has a particular structure, history and resources, including how effective it is in responding to the external environment. "The varying strategic and organisational cultures of different organisations play a critical role in the organisations' ability to adapt their structure and function to the demands placed on them" (p6, Nagl, 2002). Consistent with Nagl, there are a significant number of individual studies that demonstrate the link between organisational culture and organisational performance (Berson et al., 2005; Wilkins et al., 1983).

As an example of the relevance of organisational culture to organisational effectiveness in the UN: If the dominant organisational culture is focused on achieving consensus rather than results, it is less likely that required actions will be taken to address EDPs, as substantive changes in national policies and budget are difficult to achieve by consensus. The European Union's (EU's) fisheries policy is an example of this.

3.4.2   *Organisational Culture Literature*

The literature on organisational culture is very large, with most focusing on private-sector organisations (Hatch, 1997; Stanford, 2011). The literature on the organisational culture of the United Nations is thin, though RBM-related publications highlight the links between culture and results (Bester, 2012; UNDG, 2011; UNDP, 2009). The literature on public-sector organisational culture provides good guidance relevant to the UN, and UN reform reports provide useful, if sometimes implicit, guidance on the organisational culture of the UN and how it impacts on UN effectiveness. The literature on private- sector organisational culture also offers clear operational guidance for helping to analyse the organisational culture of the UN. Research analysing the comparative effectiveness of the British and American military from an organisational culture perspective, including in UN peace operations, also provides valuable guidance on organisational culture and its impact on UN effectiveness. Both the military and the UN are large or very large hierarchical public-sector bureaucracies working extensively in developing countries. In addition, peace and stabilisation missions have a substantive development and governance components.

Further, in terms of the validity of the literature focused on military effectiveness, this researcher's experience in the New Zealand army reserve and of the United States and British militaries indicates that substantive similarities in organisational culture issues between UN and military bureaucracies. A number of publications focus on organisational culture as an explanatory factor for organisational effectiveness (Cassidy, 2004; Nagl, 2002; US Army and Marine Corps (2007); Ledwidge, 2011). Cassidy focuses on UN peace operations, for example. Factors that inhibit military effectiveness and that resonate with UN effectiveness issues include inappropriate procedures, organisational cultures that "produce conclusions that reinforce existing beliefs instead of critically assessing them [and]….persist

when in conflict with environmental circumstances" (p22, Cassidy, 2004), slowness to learn and adapt, a lack of understanding of different cultures, plus a tendency to view different viewpoints as a negative challenge to the dominant organisational culture, rather than as a means to improve effectiveness.

Interest in organisational culture developed as a response to a desire to understand how organisations work and how they can become more effective (Schein, 1990, 1996; Martin, 2002; Hatch, 1997; Hatch, 2006). While there is substantive debate (Martin, 2002) about the concept of organisational culture, the literature provides operationally useful understanding of the concept and on what constitutes an effective organisational culture. Wilson in Nagl states, "every organisation has a culture, that is, a persistent, patterned way of thinking about the central tasks of and human relationships within an organisation" (p5, Nagl, 2002). Schein, while making cautionary comments about defining organisational culture, states: "Culture is what a group learns over a period of time as that group solves its problems of survival in an external environment and its problems of internal integration" (p111, Schein, 1990).

The literature indicates that conflicting values are not uncommon in organisations, which can be such that subcultures within an organisation have a significant negative impact on an organisation's culture and effectiveness (Schein, 1990; Watson, 1995; quoted in Driscoll and Morris, 2001).

The literature also gives more than adequate guidance on how an organisation's culture can be investigated, presenting models for identifying and classifying organisational cultures. These models are potentially relevant to this research, for example, some models are more results focused and some are more process orientated. Therefore, if the UN is found to be not so effective in addressing EDPs and its organisational culture is found to be more process focused, this would help explain relative ineffectiveness and suggest developing recommendations to improve UN effectiveness. For example, Trompenaars et al., (1997; 2004) derived four organisational cultural types: Eiffel Tower, Family, Incubator or Guided Missile, with the Guided Missile culture more results focused than the others. He also states that elements of different models could apply within one organisation. Martin (2002) refers to integration, differentiation and fragmentation organisational culture models, arguing that using an approach that combines all three is most appropriate.

An organisation's culture is considered to have different levels; for example, Schein (1990) sets out three levels (a) observable artefacts, (b) values and (c) their basic underlying assumptions. While artefacts can be observed and values can be measured by surveys and questionnaires, Schein supports more intensive observation to "seek out and decipher the

taken-for-granted, underlying perceptions, thought processes, feelings and behaviour" including through open-ended interviews (p112, Schein, 1990). Another researcher also highlights the importance of going beneath the surface and, *inter alia,* understanding the informal rules, as:

> Knowing how we do things around here is just the start of understanding a corporate culture. You have to dig deeper to understand how the formal structure, systems, processes and routines really work, and to find out the meaning behind behaviours, symbols, and language: The way things really are around here (p16, Trompenaars and Pru'Homme, 2004).

In terms of the UN's organisational culture, at the most visible levels are the listed UN core values of integrity, professionalism and respect for diversity. These are artefacts, the "observable symbols…slogans, behaviours, dress…." of an organisation (p362, Daft, 2004). The actual dominant organisational culture reflects "underlying values, assumptions, beliefs, attitudes, feelings", with those values held by influential decision makers (p362, Daft, 2004). However, the cultural values in an organisation may not be visible:

> The organisation cannot be understood by looking only at official mandates and goals, formal procedures and structures and other functional aspects….Any understanding needs to extend to the political dimension – the power, incentives, tensions and sometimes conflicts which provide the energy and bring the motion, direction and change to an organisation (p3, Datta et al, 2012).

For example, RBM is a visible artefact in the UN. But for it to be an actual and dominant part of the UN organisational culture requires that an RBM results culture becomes firmly embedded in the UN. Buchanan and Badham refer to a number of organisational culture realities that imperil project and overall organisational effectiveness and highlight the importance of understanding "the way things really are around here" (p 116, Trompenaars and Prud'Homme, 2004):

> We perhaps like to think of our social and organisational cultures as characterised by order, rationality, openness, collaboration and trust. The reality is different. Competition sits alongside co-operation. Informal backstaging supports public action. We see self-interest, deceit, subterfuge and cunning, as well as the pursuit of moral ideals and high aspirations. It is uncommon to hear decisions defended in terms of political motives and behaviours. Reason and logic must be seen and heard to prevail. To suggest otherwise is to risk censure and ostracism. But initiatives are pursued, decisions are taken and changes are introduced to preserve and extend the power bases and influence of individuals and groups (p2, Buchanan and Badham, 1999).

Martin (2002) notes that Schein and others stress the importance of in-depth understanding of an organisation's culture, for example through detailed discussions over time. However, Martin comments that Schein's work does not acknowledge that artefacts and values may accurately reflect an organisation's culture and suggests that Schein's approach may take too

much time. Nevertheless, he questions Schein's approach in pragmatic rather than theoretical terms (Martin, 2002).

Leadership is identified as a key factor in organisational culture and effectiveness, having an important role in motivating staff and in the development aid context and ensuring the adoption of RBM systems and a results-based culture (Bester, 2012; Binnendijk, 2001; OECD, 2008). Leadership is "the projection of personality and character to get subordinates to do what is required of them and to engender within them the confidence that breeds initiative and the acceptance of risk and responsibility" (p7.6 –7.7, NZDF, 2008). Management focuses more on making the best use of resources—that is, supporting efficiency. Managerial courage means taking the lead, driving change and making potentially risky decisions; this style is seen as contributing to organisational effectiveness, while managerial cowardice is seen as reducing organisational effectiveness (Harbour and Kisfalvi, 2014; Harris, 2000; Eynde van, 1998).

3.4.2.1 <u>Organisational Learning and Change</u>

Section 3.2 identifies an important subset of organisational effectiveness that being whether or not an organisation learns from experience and adapts on an ongoing basis.

Ongoing monitoring, learning and adapting are highlighted in UN and donor aid agencies' RBM manuals and other publications as key factors for delivery of successful programmes and projects (Bester, 2012; UNDG, 2011; UNDP, 2009; Ongevalle van et al., 2012). This observation reflects the uncertainly inherent in programme and project design. Thus, this subsection of the literature review on organisational culture will focus on organisational learning and change, defined as the process of improving actions through better knowledge and understanding (Fiol and Lyles, 1985 quoted in Denton, 1998; Nagl, 2002):

> The institutional learning process begins with the recognition of shortcomings in knowledge or performance. It moves through the critical phase of searching for and achieving consensus on the right solution for the shortcomings to be adoption and disseminations of the modified doctrine. The process then repeats itself endlessly (p6, Nagl, 2002).

The literature is in broad agreement that organisational learning and change can occur and on what is needed to make organisations more successful. There is a consensus in the literature that organisational culture developed over years and even decades cannot be easily changed, but that if an organisation has a culture open to learning and adaptation change processes are more likely to succeed. Numerous case studies describe attempts at organisational change that include factors contributing to successful organisational management and change. For example, Miller (2004) lists six critical success factors as: (1) shared change purpose; (2) effective change leadership; (3) powerful engagement

processes; (4) committed local sponsors; (5) strong personal connection; and (6) sustained personal performance. He and others also identify the need for internally based change agents and structures.

While clear leadership is required from top management for cultural change, the approach should not be top-down in design and application. For example, Cooper carried out research on organisational change in the restructuring of the UK civil service housing sector. He highlighted the problems caused by top-down approaches and a lack of trust between managers and staff, recommending that those supporting change should be brought together (Cooper, 2004).

McAleese and Hargle (2004) set out five guiding principles of culture management, including for achieving organisational change. These are: (1) formulate of an overall culture strategy; (2) develop cultural leaders; (3) share the culture by communicating effectively with staff; (4) measure the cultural performance; and (5) communicate the culture of all dealings with customers. They conclude that rushing cultural change is counterproductive and that there is no single "best" organisational culture; instead, the "most suitable culture will depend partly on environmental constraints and the preferences of senior management" (p167–68, McAleese and Hargle, 2004).

Driscoll and Morris (2001) in a UK civil service focused study concluded that change imposed from the top was resisted; that subcultures within the organisation were likely to differ in degree of support for the promoted change; and that staff were change-averse as they saw it as a potential threat and preferred the status quo. Parker and Bradley (2000) found that managerial support for change was insufficient to guarantee success. Parry and Proctor-Thomson (2003) in a New Zealand civil service-focused study also highlight the key role of leadership in successful organisational change.

Trompenaars and Prud'Homme, (2004) provide a comprehensive and operationally useful description of challenges to be overcome to achieve successful organisational change and present an outline for designing corporate change processes. The authors make the point that the current organisational culture is key to determining what kind of change will be acceptable. If change is viewed with reluctance, then resistance to change will be greater. A Rand study quoted in Cassidy concluded "the beliefs and attitudes that comprise organisational culture can block change and cause organisations to fail" (p245, Cassidy, 2004).

Consistent with the above, the literature indicates that learning organisations are more likely to accept change; additionally, they are more likely to anticipate and create change to achieve some advantage, usually commercial advantage. In the realm of the public sector,

learning organisations anticipate political changes or threats to support from taxpayers and donors by evolving to meet those threats. A non-learning organisation would be more inclined to resist changes, perceiving change as a threat. Learning organisations are characterised by openness, creativity and self-efficacy McGill et al., (1992).

Open organisations are more likely to change and they may be sufficiently innovative that they anticipate the need for change and initiate change from within. Creative organisations are more flexible and willing to take risks. While risk is more traditionally seen in relation to the commercial risks of the private sector, the willingness to take risks is a critical component of the success of such public organisations as the military, and in a less obvious way, the UN. Self-efficacy refers to confidence in being able to carry out a specific task, including motivation, resources and the way resources are applied.

Nagl includes a question set that helps identify the characteristics of a learning organisation. These questions measure an organisation's willingness to collect information and also, critically "whether the institution is willing and able to apply the information to create change in procedures, organisation, training and thinking" (p10, Nagl, 2002).

Schein highlights the importance of dialogue "across sub-cultural boundaries, especially across hierarchical boundaries" in order for organisational learning to take place successfully (p37, Schein, 1993). He also stresses the importance of the executive class seeing itself as a sub-culture that needs to analyse itself, to learn and to adapt, yet suggests that the executive class may be the most resistant to self-analysis.

Learning can be tracked by the study of documents that set out an organisation's doctrine, strategies and plans, and also from project and programme design manuals. However, longer-term tracking can reveal the impact of the organisation's activities on key development and environment indicators. More immediately, organisational learning can be tracked via informal discussions at different levels in the organisation to obtain people's reactions to threats and changes.

3.4.2.2 <u>National Culture and Organisational Culture</u>

National culture is a potentially useful element to include as a focus in this section of the literature review on organisational culture. This is because the literature indicates that different national cultures can have significantly different ways of working and managing and that national culture influences overall organisational culture. This is particularly relevant to the UN, as it works in over 150 countries and employs professional staff from most countries.

Hatch (1997, 2006), Mullins, (2010) and Jackson and Parry, (2011) refer to the influences of national culture on organisational culture, identifying key researchers in the field such as

Hofstede and Trompenaars. The relevance of national culture to management is also reflected in UN guidance on cross-cultural management (Ting-Toomey, 1999).

Given the very wide range of nationalities that the UN works with, national culture could have a significant impact on management and broader workplace practices, and thus could impact on the effectiveness of the UN at the country level. For example, if UN officials are not sufficiently knowledgeable about a particular national culture, programme implementation may be hindered. UNDP provides an example of this in a project designed to empower women through microcredit where husbands were uncomfortable due to traditional views about the role of women (UNDP, 2009).

The literature includes substantive research on the relationship between national and organisational culture. For example, Hofstede (1980, 1991); Hofstede and Hofstede (2005); Trompenaars and Hampden-Turner (1997); Trompenaars and Prud'Homme, 2004) present research findings that if applied can make organisations more effective where cross-cultural factors are significant.

Hofstede's research (1980, 1991, 1995) indicates that national culture can and does have a substantive impact on management and workplace norms and practices. While some later research, for example Ailon quoted in Jackson and Parry (2011) questions elements of Hofstede's approach, none of the queries challenge the overall findings that national culture influences how individuals and groups work and manage and that these differences can have significant impacts on organisational culture. Other later research (Trompenaars and Hampden-Turner, 2000; Ting-Toomey, 1999; Trompenaars and Prud'Homme, 2004) broadly reinforces the central findings of Hofstede.

Hofstede (1980, 1991) and Hofstede and Hofstede (2005) surveyed 116,000 IBM employees in more than 70 countries to investigate the impact of national culture on organisational culture. Given the cohesive organisational culture of IBM worldwide, reflecting in part the consistency of the work carried out and the similarity of staff educational backgrounds, nationality is credibly a significant explanatory variable for differences within this relatively homogenous group. Hofstede developed four indicators for culture differences in his study: (1) power distance; (2) uncertainty avoidance; (3) individualism versus collectivism; and (4) masculinity versus femininity.

In higher power-distance cultures, staff are more likely to be reluctant to question their supervisors, more likely to accept or prefer an authoritarian supervisor and more likely to be dependent on their supervisors. Conversely, low power-distance cultures favour a more decentralised, less hierarchical structure and more consultation. Additionally, staff are more likely to approach their supervisors and query their actions in low-power cultures. The

research found that the lowest power distance indexes are concentrated in the Anglo and Nordic countries, with developing countries and countries in transition tending to have higher power distance.

Collectivism is an indicator in Hofstede's methodology of the importance of membership and loyalty to the group, and how groups look after their members. Hofstede concludes that in collectivist societies, the personal relationship is more important than the task, while the opposite tends to be true in individualistic cultures. A possible implication of this in relation to aid effectiveness is that the application of results-based management may receive more support in more individualistic societies. The research shows that developing and middle-income countries tend to be collectivist, with greater power distance.

Related research has confirmed the general validity of that by Trompenaar and Hofstede. Ting-Toomey (1999) refers to the individualistic values of Western societies and how this differs from the collectivist values of Asian societies. She found that in Asian societies, there is likely to be more emphasis on mutual face saving than in the West. Asian cultures also focus more on mutual interests and win-win solutions than do Western cultures.

A relevant question is whether exposure to different cultures in the workplace leads to changes in work cultural values and practices. That is, do host country nationals employed by a multinational company for a country with significantly different values and organisational culture adapt their workplace practices? This process is referred to as organisational acculturation and a key researcher in this field is Selmer (Selmer and De Leon, 1996). In a study of Singaporean middle managers working for a Swedish company subsidiary based in Singapore, their research indicated that Singaporean staff had undergone organisational acculturation and had adopted some Swedish organisational characteristics.

An implication of the above literature for UN effectiveness is that UN officials responsible for the design and implementation of programmes and projects need to be aware of how national cultures differ, what this implies for programme delivery and how to reflect these differences in their interactions with national counterparts.

3.4.3   *Summary of Organisational Culture Literature*
The literature on organisational culture provides clear evidence of its importance to organisational effectiveness, including for development aid agencies. The UN and other aid agencies have acknowledged the importance of organisational culture to development aid effectiveness by adopting RBM as their management strategy, with RBM bringing together development aid design systems and organisational culture. Further, the UN and other donor agencies highlight the need for stronger results-based culture so as to achieve development aid effectiveness.

The literature on organisational learning and change, a subset of organisational culture, demonstrates that organisations can change and become more effective, and provides guidance on how to bring about change. However, there are gaps in the literature; for example, while there are many studies of organisational culture and change in the private sector and a substantive number of studies on the public sector, research on organisational culture of the UN is lacking. Further, there is little or no literature that investigates how organisational culture in the UN or other development agencies impacts on development aid effectiveness.

The review of the literature on organisational culture also highlights the complexity of the task facing development agencies and in particular the UN. Not only is the UN dealing with its own organisational culture, but also with the organisational culture in recipient country institutions. An implication is that to be more successful, the UN needs to change itself, but also catalyse change in country institutions.

Overall, in terms of this research, the literature demonstrates the importance of organisational culture to organisational effectiveness; it also provides more specific guidance on key elements of organisational culture that contribute to organisational effectiveness at general and project levels. Finally, the literature supports the potential for organisational culture to be an explanatory variable for UN effectiveness.

3.5 Complexity and Development Aid

3.5.1 Rationale for the Focus on Complexity and Development Aid

Chapter 2 indicated that EDPs have a number of characteristics that makes addressing them complex. The literature indicates that different types of problems need different approaches tailored to the specific issues and that the characteristics of complex problems "present particular challenges in implementing programmes and policies" (p 4, Jones, 2011). Thus, this section of the literature review focuses on complex policy problems, to identify their characteristics and discuss how to address them. The relevance to this research is that if the UN does not reflect the complexity of EDPs in the design of its programmes and projects, its initiatives are likely to be less effective.

3.5.2 Complexity and Development Aid Literature

Little substantive literature addressed the complexity of development problems and their solutions prior to the 2000s, despite general recognition (tacit and explicit) that some problems are complex (p3, Jones, 2011). However, while the literature on addressing complex policy problems is still relatively sparse compared to that on organisational culture or development aid effectiveness, more recently there has been a substantive focus on the

complexity of general and development policy problems, as well as some environment and natural resource policy problems, including climate change (Australian Public Service Commission, 2007; Blackham, 2007; Jones, 2011; Ramalingam and Jones, 2008; Roberts 2001, 2012).

This section first focuses on literature that defines the characteristics of complex policy problems, and then moves on to approaches for addressing such problems. The focus on complexity in the public policy arena has grown out of complexity theory and science (Ramalingam and Jones, 2008). Ramalingam and Jones outline three key concepts of complexity theory: (1) complexity and systems, which includes the recognition that complex systems have interconnected and interdependent elements; (2) complexity and change, including that relationships between elements are often non-linear and can change over time; (3) complexity and agents, including how agents within a complex system evolve and adapt.

The literature indicates that public policy problems, including development problems, range from the simple through varying degrees of complexity, with 'wicked' problems being the most complex (Australian Public Service Commission, 2007; Blackham, 2007; Jones, 2011; Roberts 2001, 2012).

A simple policy problem is one where there is agreement on the nature of problem and its solution. A complicated problem is one where the problem and solution are known, but require substantive expertise and involve a large number of difficult steps to achieve a solution—for example, sending a rocket to the moon or building an aircraft carrier (Blackham, 2007; Jones, 2011). While complicated, they are 'tame' problems in that they are clearly defined; have clear and replicable solutions where success is more likely with each iteration and that have a high degree of certainty about the outcome. Complicated policy problems are also solved through the application of standard scientific-based linear approaches (Blackham, 2007; Jones, 2011; Rittel and Webber, 1973).

A complex problem is one where there is agreement on the problem but not agreement on the solution. A more complex problem is one where there is disagreement over both the nature of the problem and the solution. With a more complex problem there is likely to be disagreement about, or a lack of understanding of, what is actually happening and the reasons for it. Further, the relationship between action to solve the problem and the result of the action is difficult or impossible to predict and the context is a substantive determinant of the outcome (Hummelbrunner and Jones, 2013). The situation in Afghanistan and climate change come to mind.

The most complex problems can be classified as a 'mess' or 'wicked'-- i.e. "an issue highly resistant to resolution" (p3, Australian Public Service Commission, 2007; Jones, 2011; Rittel

and Webber, 1973; Roberts 2001, 2012). A public policy problem that is a 'mess' or 'wicked' has a number of more specific characteristics, including a variety of connected dimensions or elements. For example with EDPs, connected economic, social, political and biological factors are involved. According to the Australian Public Service Commission, wicked problems:

1. Are difficult to clearly define.
2. Have many interdependencies and are often multicausal.
3. Often lead to unforeseen consequences when addressed
4. Are often not stable
5. Usually have no clear solution
6. Are socially complex
7. Hardly ever sit conveniently within the responsibility of any one organisation
8. Involve behavioural change
9. Are sometimes characterised by chronic policy failure.) (p3–5, Australian Public Service Commission, 2007.

Since the early 2000s a small but growing body of literature, especially that published by the Overseas Development Institute, focuses on the complexity of development policy problems. This literature covers both the characteristics of complex development policy problems and methods to design and manage them. However, explicit focus on the complexity of addressing development aid problems is still lacking in UN and donor manuals.

The literature indicates that addressing complex problems in developing countries is more difficult, as elements of complexity are likely to be greater, capacities weaker and more factors outside the control of the project. Three challenges are impediments to addressing complex developing country policy problems: (1) the level of uncertainty about what is involved (2) the extent of agreement about project goals and how to achieve them; and (3) the extent to which knowledge and capacity are distributed (Hummelbrunner and Jones, 2013, 2013a). There is likely to be a great degree of uncertainty about what the problem is and weaker agreement about project goals that may reflect that "different actors may have their own motives, values or interests" (p3, Hummelbrunner and Jones, 2013). Complexity increases where (1) capacities to address a problem and outcomes are distributed across a range of players; (2) capacities of national players are low; (3) political instability, corruption and political-economy issues are factors.

The literature analyses the suitability of current development aid modalities for addressing complex problems. A criticism of mainstream approaches to development aid design and implementation is that they are too linear. Consistent with that criticism, the literature on solving complex aid problems indicates a need to avoid:

> [L]inear, traditional approach to policy formulation [which] is an inadequate way to work with wicked policy problems. This is because part of the wickedness of an issue lies in the interactions between causal factors, conflicting policy objectives and disagreement over the appropriate solution. Linear thinking is inadequate to encompass such interactivity and uncertainty…The handling of wicked problems requires holistic rather than linear thinking. This is thinking capable of grasping the big picture, including the interrelationships between the full range of causal factors and policy objectives (p11, Australian Public Service Commission, 2007).

This conclusion is consistent with the findings of a range of research and the criticisms of RBM or aspects of it referred to above (Curtis, 2004; Datta et al., 2012; Hummelbrunner and Jones, 2013, 2013a; Jones, 2011; Ongevalle van et al., 2012). However, other and later literature indicates that RBM can be adapted to deal with complexity.

The literature indicates that successfully addressing complex policy problems in general and in a developing country context requires a different approach to planning. Planning should be dynamic, rather than static; flexible rather than prescriptive; and diversified rather than comprehensive (Hummelbrunner and Jones, 2013). Thus, planning should be less linear and focus less on elaborating details of what to do to address a problem and more to " provide a basis and a guide for decision-making throughout the course of the intervention….to provide the necessary guidance and leadership, communicating a vision of change around which responses can emerge" (p4, Hummelbrunner and Jones, 2013). This approach can more appropriately be called intervention design, rather than intervention planning. "Design inquires into the nature of a problem to conceive a framework for solving that problem. In general, planning focuses on generating a plan—a series of executable actions—design focuses on learning about the nature of an unfamiliar problem" (p138, US Army and Marine Corps, 2007). Whereas conventional planning focuses on problem solving, design planning focuses more on problem setting (US Army and Marine Corps, 2007). Given that one of the characteristics of complex policy problems is the difficulty in clearly defining the problem and getting agreement on its definition, this approach appears logical.

Dynamic planning includes a focus on the desired outcome and a (Theory of Change (ToC) to reach agreement on how change to reach the outcome should be articulated. Incorporating learning objectives is also identified as key. Bradstock et al. describe a ToC solution as "a coherent set of ideas that describe: what the change should be, how a change process occurs, what makes it happen … and what the result/ outcome of a change process should be" (p1, Bradstock. et al., 2012). Flexible rather than prescriptive planning modes mean, *inter alia,* that identifying options to achieving the desired outcome, while the ongoing embedded learning process leading to the choice of the appropriate options for implementation is fed back into project implementation (Hummelbrunner and Jones, 2013).

Diversified planning includes the requirement that higher levels of management specify clearly in results-based terms what is to be achieved, with what resources, and within what timeframe and other parameters. Then subordinate units are empowered to carry out the operational planning needed to achieve the outcome as specified by the higher-level leadership, or to 'self-organise', as some of the literature puts it (Hummelbrunner and Jones, 2013; Jones 2011). One paper lists seven approaches for planning to address complex problems, including scenario techniques, conditional planning and adaptive strategy development. The paper also provides an example of how to carry out complex planning with a logical framework, based on work by the UNIDO (United Nations Industrial Development Organisation) (Hummelbrunner and Jones, 2013).

In terms of management, the literature recommends applying adaptive management and also building adaptive capacity (Australian Public Sector Commission, 2007; Hummelbrunner and Jones, 2013a; Jones, 2011). Adaptive management is dynamic rather than static, collaborative rather than directive and decentralised rather than centralised. A key aspect of adaptive management approaches and addressing complex problems is continuous learning and responding to ongoing lessons by adjusting programme or project implementation to improve the effectiveness of the intervention (Hummelbrunner and Jones, 2013a; Roberts, 2012).

The literature also indicates that a more flexible, less risk-averse management culture is needed to effectively address complex, and in particular, wicked problems. The more traditional bureaucratic management style is seen to be more suited to addressing 'tame' problems, but not so suited for addressing problems where "agility, flexibility, innovation in addressing the problems, rapid response to other interventions and so on…" are needed (p37, Blackham, 2007).

Decentralisation or delegation of management is key, along with agency incentives to encourage more adaptive management—i.e. micromanagement is to be avoided. As suggested under planning above, higher-level management should specify clearly in results-based terms what is to be achieved, with what resources and within what timeframe and other parameters, then empower subordinate units to implement the programme or project. This process is delegated, adaptive management and was first developed by the military, where it is referred to as 'mission command' and seen as the appropriate form of management for complex peace operations, including stabilisation missions (NZDF, 2008; US Army and Marine Corps, 2007). One paper sets out eight methods for managing complex policy problems. While none appears to be sufficient to replace current systems, the paper indicates that existing programme and project management tools, including RBM, can be adapted to better address complex problems (Hummelbrunner and Jones, 2013a).

Roberts presents three strategies (authoritative, competitive and collaborative) for dealing with wicked problems and the criteria for among them, stating that collaborative strategies are generally the most appropriate approach for addressing wicked problems (Australian Public Sector Commission, 2007; Roberts, 2000, 2001). Later research by Roberts proposes a more comprehensive 'Design Approach to Problem Solving'; components of such an approach suggest that it is an enhanced collaborative approach addressing wicked problems '' as a whole system" (p56 Roberts, 2012).

The paper indicates that the approach contains most of the elements referred to above from other literature, including focusing on design, rather than on linear, detailed planning; applying active, adaptive management, including an emphasis on responsiveness, ongoing learning, delegation and collaborative approaches. The research cites an example of a programme addressing unsustainable forestry and associated problems in Indonesia to illustrate a design approach to wicked problems. While this programme is a good illustration of how a design approach can work in practice, Roberts acknowledges that it was not consciously planned as a 'Design Approach' programme.

As addressing complex and, in particular, wicked problems is very demanding, this implies that solving them is also more demanding intellectually and vocationally than is addressing simpler problems. That different levels of expertise are required for different vocational tasks is recognised in the literature (Winch, 2010). The higher intellectual and expertise demands of addressing complex problems have been recognised and discussed in the context of improving the ability of the military to address such problems (Lock et al., 2011; Paparone, 2010), but it has not been studied in the context of addressing development problems. In relation to the intellectual and expertise demands of addressing complex problems, Lock et al. based on work by Winch (2010), discusses two reasoning modes: Calculative rationality and deliberative rationality, with the latter suited to addressing complex, including wicked problems. Calculative rationality is the "ability to initiate and carry through a sequence of reasoning that results in action. . . .Calculative rationality is predicated on the application of established rules and principles for problem solving that are codified" (p8, Lock et al., 2011, with reference to Winch, 2010).

Deliberative rationality is "a mode of thinking that blends analytical perspectives with 'interpretive, critical and imaginative skills' in situating and resolving problems '' (p8, Lock et al., 2011, with reference to Paparone, 2010). This approach has substantive implications for addressing complex policy problems in developing countries, where inadequate vocational expertise or capacity is a major challenge.

3.5.3 *Summary of Complexity and Development Aid Literature*

The literature defines the characteristics of complex public policy problems and demonstrates that complexity is a major issue in the development aid arena. It also shows that EDPs can be classified as complex development aid problems. Thus the literature supports complexity as an explanatory variable of UN effectiveness. Overall, in terms of the state of the literature for addressing complex policy problems in developing countries, Roberts has concluded with regard to wicked problems: "We have yet to develop a clear set of strategies to deal with them" (p 53, Roberts, 2012). However, there is increasingly substantive guidance from different sources on how to deal with complex development problems (Hummelbrunner and Jones, 2013, 2013a; Ongevalle, van et al., 2012). The literature does not provide specific guidance on how to deal with complex EDPs, but in providing steps to address complex development problems in general offers some useful guidance.

The key implication for this research is that if the UN does not adequately reflect the complexity of EDPs in designing programmes and projects to address them, its effectiveness will be reduced. Currently there is very little guidance within the UN on how to address complex development problems. While UNIDO provides some guidance, UNDP, UNEP and the UN Development Group (UNDG)) do not. Further, there is no direct UN guidance on addressing complex EDPs.

3.6   Conclusion

The literature identifies characteristics of effective organisations that range from broad categories such as organisational culture, to management systems such as RBM, to specific indicators of effectiveness. Further the literature indicates that, while there is some debate, there is sufficient consensus as to what is required for organisational effectiveness for the findings to provide a robust and detailed basis for designing the methodology for this research.

More specifically, there is a great deal of material in the literature that enables identification of the characteristics of effective organisations in the private sector. There is also sufficient material to enable identification of the characteristics of effective organisations in the non-profit sector, including multilateral aid agencies like the UN. Further, the literature relevant to development aid effectiveness provides clear guidance on the necessary elements to design and implement effective aid projects and programmes. Thus, it also provides clear guidance to develop criteria to measure the effectiveness of UN programmes and projects to address EDPs in developing countries. The literature on development aid effectiveness, organisational culture and addressing complex policy problems also provides key guidance that has helped identify potential explanatory variables for the level of UN effectiveness,

such as inappropriate development aid programme and project design and implementation, including consideration of the complexity of EDPs and an inadequately results-focused organisational culture. This information will serve as a guide for assessing the effectiveness of the UN in addressing EDPs in developing countries.

4. METHODOLOGY

4.1 Introduction

This chapter presents the methodology for assessing the effectiveness of the UN in addressing Environment-Development Problems (EDPs) in developing countries. The research needs to probe into the factors that influence UN effectiveness while reflecting the complexity of EDPs and that UN activities to address EDPs range from small projects to large programmes and involve a range of stakeholders and country circumstances. Therefore, the research employs a mixed methods approach with four components. These are: 1) EDP case study evaluation; 2) Analysis of examples of UN EDP relevant activities & initiatives; 3) Research diary and interviews; 4) A problem-tree analysis. A mixed methods approach also allows validation of results across the different methods.

The research methodology is set out in Figure 4.1.

4.2 Methodology Overview

Box 1: Case Study Effectiveness Evaluation Framework					
Case Study Evaluation Criteria Measure of achievement or impact: 1 = Poor, 2 = Moderate, 3 = Good.	**Case Study 1**	**Case Study 2**	**Case Study 3**	**Case Study 4**	**Overall**
a. Situational Analysis b. Strategy c. Outcome d. Outputs & Activities e. Work plan f. Budget g. Management & Co-ordination Arrangements h. Feasibility, Risks & Assumptions i. Monitoring & Evaluation	a. [Score] b. [Score] etc				
Summary					

PLUS

Box 2: Analysis of Examples of UN EDP Relevant Activities & Initiatives.
• Carries out additional analysis to assess UN effectiveness
• Assists to validate Case Study evaluation findings.

Box 3: Research Diary & Interviews.
• Provides additional information to assess UN effectiveness & its causes

Box 4: Problem Tree Analysis (PTA):

- Based on the analysis, findings, information etc from Boxes 1, 2 & 3.
- Provides deeper analysis of the factors & patterns of UN effectiveness in addressing EDPs, including higher level & broader causes
- Helps organise the findings in a logical format, including by grouping the factors, patterns & causes into broader categories
- Forms a key basis to identify recommendations to improve UN effectiveness

Box 5: Discussion of the Results of the Analysis of Case Studies, EDP examples & PTA. The discussion will:

- Present the assessment of the effectiveness of the UN in addressing EDPs
- Set out the reasons for its effectiveness or ineffectiveness
- Indicate if the reasons can be logically grouped into key themes, including the hypothesised explanatory variables
- Present any other reasons for relative effectiveness
- Indicate the broader applicability of the findings to other development problems.

Box 6: Conclusions & Recommendations for improving the effectiveness of UN efforts to address EDPs and to improve UN effectiveness more broadly

Conclusions will be presented in terms of:
- Effectiveness of the UN
- Reasons for effectiveness
- Key elements of a successful model to address EDPs

Recommendations for reform will be presented in terms of category, problem and target, including with respect to:
- Reform within UN agencies
- Reform within the broader UN System, including a focus on UN System co-ordination and inter-governmental processes
- Addressing gaps in development aid theory & practice

Figure 4.1: Research Methodology Overview

The four components of the mixed method approach to assessing UN effectiveness are highlighted in boxes 1 to 4. Boxes 5 and 6 set out the framework to indicate how the research findings will be discussed and the conclusions and recommendation will be presented

The results from the case study effectiveness evaluation (Box 1) will indicate the extent to which each case study achieves its intended outcomes. Following the analysis of all the case studies, a summary of the overall effectiveness of the case studies is provided in a summary matrix. Gauging the effectiveness of a range of case studies enables one to comment on the overall effectiveness of the UN in addressing EDPs.

The second component (Box 2) consists of an analysis of EDP or EDP relevant activities and initiatives to provide additional evidence to assist in assessing UN effectiveness. The results from this also help validate the findings of the case study evaluations.

The third component (Box 3) employs a research diary and interviews. This information provides additional evidence that contributes towards the assessment of the effectiveness of the UN and helps identify causes of UN effectiveness.

The fourth element of the research method applies problem tree analysis (PTA) (Box 4), using findings and information gathered from the previous components. The PTA provides a deeper understanding of the causes UN programme effectiveness, including higher-level causes and causes exogenous to the UN, like country capacity.

Box 5: The sets out how the research will discuss the findings of the overall effectiveness of the UN in addressing EDPs. Box 6 outlines how the conclusions and recommendations will be set out.

4.3   Analysis of UN EDP Case Studies

To assess the effectiveness of the UN in addressing EDPs in developing countries it is necessary to identify the main modalities the UN in addressing such problems. The main modality used by the UN is programmes and projects, either those initiated by the UN or those initiated by other development agencies and organisations to which the UN is a significant contributor. The study focuses on UN Development Programme (UNDP) and UN Environment Programme (UNEP) programmes and projects as these are the prime UN agencies dealing with EDPs. The case studies are representative of UN projects or programmes for addressing EDPs (see Section 4.10).

The design, implementation and outcomes of the case studies are assessed using evaluation criteria that, if met, indicate that the programme or project is effective. Effectiveness evaluation criteria are based on factors that were identified in the literature review as being significant determinants of organisational effectiveness. They are primarily based on standard and well-proven development project and programme design elements used by the UN and multilateral and bilateral aid agencies, with EDP specific elements also reflected. These criteria are then employed to critically evaluate the selected case studies and to

identify key factors that aid or hinder the effectiveness of EDP projects and programmes. The effectiveness by which each criteria was met was assessed by identifying one or more indicators of achievement to measure how well each has been met in the design and implementation of the EDP project or programme. The use of criteria and indicators to assess development aid effectiveness is a standard approach used by both the UN and donor agencies (DFID, 2011; MOPAN, 2009). Description and analysis of the case studies will enable identification of factors and patterns that help explain relative levels of UN effectiveness.

That a proportion of UN and donor agency development aid programmes and projects are not successful may be interpreted as evidence that the programme and project design elements used by the UN and other development agencies are at fault and thus are not an appropriate basis to develop criteria for assessing UN effectiveness. However, these design elements have been developed, tested, applied and adapted over several decades by the UN and development aid agencies and not even the harshest critics of the UN or other development agencies have questioned the key design elements of UN or donor programmes and projects. Moreover, the UN and donor agencies can point to a number of successful programmes and projects using this approach. Further, the use of a mixed methods approach by this research permits cross checking and validation of the findings from the different methods.

The following sub-sections detail the case study research method.

4.3.1 Overview of Case Study Evaluation Framework

Each case study is assessed using a list of evaluation criteria. Following analysis of all the case studies, a summary of their overall effectiveness is presented in a matrix consistent with the format in Box 1 of Figure 4.1. The overall effectiveness of the cases studies is a proxy for the overall effectiveness of the UN in addressing EDPs.

4.3.2   Evaluation Criteria

To evaluate the effectiveness of any programme or project, a standard set of evaluation criteria are needed and Table 4.1 sets out the evaluation criteria used in this research. These criteria are chosen based on the literature that identifies the key elements and criteria necessary for effective programme and project design and implementation as set out in UN and donor manuals. In particular, they are based on the literature relevant to identifying factors necessary for effective programme and project design and implementation. The key elements and criteria for effective programme and project design are referred to in section 3.3.2.2 "Programme and Project Development Effectiveness Literature" in the literature review (DFID, 2003; 2011; UNDG 2011; UNDP 2009). To be effective, all EDP

programmes or projects should include these elements or criteria or their equivalent. The rationale for the choice of the Evaluation Criteria is as follows in summary form, with more details in Appendix 4.

A programme or project situational analysis identifies the problem to be addressed and the general way forward. A common technique to identify the problem plus its direct and indirect causes is a problem tree analysis. The situation analysis describes the context that is likely to influence efforts to address the problem, such as capacity issues, institutional processes and development priorities. It should include upstream issues as well as immediate issues. An upstream issue would be the political-economy priorities in the country and an immediate issue for addressing EDPs might be a lack of capacity for understanding the link between environment and development.

The strategy is the plan of action to address the problem and the strategy should be clearly consistent with the problem and both its direct and indirect causes. All projects or programmes should aim to bring about a clearly defined improvement and the outcome is the change the programme or project seeks to bring about, based on the outputs and actions by partners. The outcome should be consistent with the problem.

The outputs are project deliverables or results aimed at bringing about the change referred to in the outcome statement. An example is of agricultural extension officers trained in conservation tillage. Outputs must be produced within the time-frame and budget of the project and they are largely within the control of project. Activities are the actions needed to produce the output, so they must be directly aligned with the output. Activities to result in the output referred to above would include the preparation of capacity building material on conservation tillage and the conduct of training courses.

The work plan sets out the timeframe for the project and programme and indicates who is responsible for delivering what outputs and when. A realistic timeframe is critical for project or programme effectiveness. A budget sufficient to pay for project activities is critical for project or programme effectiveness.

A key factor for successful project and programme delivery is competent project management, with defined and clear responsibilities. Co-ordination refers to the co-ordination of activities within a project, and also to the need for country-level development aid projects to include mechanisms to co-ordinate implementation support from the different government and other stakeholders.

An assessment of risks supported by actions taken to minimise these is necessary to avoid failure but also to ensure that the positive outcomes are sustained.

Monitoring and evaluation is key for tracking progress of the project or programme in the completion of activities and outputs on time and to the required standard to delivery the desired outcomes. A key element of monitoring is that its results are fed back to improve project implementation, including by re-design if necessary. Evaluation is more focused on identifying what has worked or not and why. Effective monitoring and evaluation are key to organisation learning.

Table 4.1   Case Study Evaluation Criteria

Case Study Evaluation Criteria
a.   Situational Analysis
b.   Strategy
c.   Outcome
d.   Outputs & Activities
e.   Work plan
f.   Budget
g.   Management & Co-ordination Arrangements
h.   Risks Assessment
i.   Monitoring & Evaluation

While there are some slight differences in terminology between UN and development aid agencies, there are no significant differences in the identification of the key elements and criteria for effective programme and project design and implementation. Further, decades of experience have shown that when all elements and criteria are included and implemented appropriately in an integrated manner, the programme or project should be successful, *ceteris paribus.* However, other things are often not equal and if projects that include the design elements set out in UN and development aid manuals are not successful, it does not necessarily mean that these design elements are faulty in themselves. Failure could mean that the design elements are not applied appropriately or that there are other factors that influence effectiveness. This research will thus also assess whether other factors are having an impact on UN effectiveness, including higher-level organisational effectiveness issues such as organisational culture, the complex characteristics of EDPs or country circumstances such as capacity constraints.

The criteria are scored using a three-point scale that indicates their efficiency, effectiveness or success, with Poor=1, Moderate = 2, and Good = 3) against a series of effectiveness indicators. See Table 4.2 and section 4.3.3 for more details.

A summary evaluation matrix is presented with the results for all the case studies with red, yellow and green colours corresponding to 1, 2 and 3 used to help highlight the results and any patterns of results. After each case study is analysed, the scores are aggregated to show the overall effectiveness of each case study (a vertical summation of the individual scores for each case study) and enables one to rate the case studies collectively (see Box 1, Figure

4.1). The criteria are scored horizontally over all case studies to show patterns of effectiveness again particular criterion.

4.3.3 *Indicators of effectiveness*

Indicators of effectiveness are used to measure whether a criterion (such as output) has been included in the design and implementation of a programme or project in a manner consistent effectiveness in addressing EDPs in developing countries.

A mix of standard and EDPs specific indicators of effectiveness for each criterion is used. The choice of indicators for monitoring policy focused-programme and project effectiveness is complicated and reflects the practical difficulty of identifying objective indicators for 'soft' infrastructure programmes or projects such as those used to address EDPs. This is particularly evident when the UN is supporting governments and works in partnership when they are unable to address many of the factors outside the control of the programme or project that may impact directly on the outcome of the project.

The indicators for evaluating the effectiveness of the EDP case studies are presented in Table 4.2.

Table 4.2:   Case Study Criteria Indicators of Consistency with Programme & Project Effectiveness

Criteria	Indicators to assess if the criteria are consistent with programme/project effectiveness in addressing EDP(s).	Means of Verification
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project. 2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results 3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.	
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design). 5. Strategy consistent with problem statement & key national processes linked to the drivers of the problem 6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme management & oversight structures. 7. Programme/Project is integrated into relevant Government or regional processes & institutional mechanisms. 8. Strategy is consistent with EDP good practice. E.g. as contained in relevant UN EDP	ProDoc, progress reports, meeting minutes, evaluations, guidelines on causes & approach to addressing EDPs plus interview records. Government, Inter-Governmental (e.g.

	guidelines.	SADC, UN) reports, national and regional development planning documents. (E.g. Poverty Reduction Strategy Papers PRSPs, regional, regional development strategies)
	9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	
Outputs & Activities	11. Outputs included are environment & development results to be produced within the project timeframe & budget and are consistent with the outcome.	UN development analysis & priority setting documents – e.g. UN Development Assistance Frameworks (UNDAFs).
	12. Activities describe actions needed to obtain the stated outputs & are consistent with the Outputs that need to be produced.	
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	
Budget	14. Budget sufficient to pay for activities & outputs.	
	15. Budget is broken down by activities and/or outputs	
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination between different components & implementing agencies.	
	17. Ministries of Planning/Finance lead or co-lead the process.	
	18. Government steering and/technical committee chaired by lead ministry responsible for programme/project.	
	19. Reflect capacity of Government & other partners	
Risk Assessment	20. Risks to achievement of desired outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	
Monitoring & Evaluation	21. Results based (rather than activity or output focused) quarterly & annual monitoring included	
	22. Progress reports are responded to with remedial actions implemented, documented and reported against.	

The means of verification are the sources where the evidence to score the indicators will be obtained. As the same means of verification apply to most or all indicators, they are listed as applying across the range of indicators, rather than against each indicator.

The basis of choosing these indicators follows good practice in programme or project design in general and for addressing EDPs in particular. These standards are including in general programming manuals and in those targeting EDPs (Bass and Renard, 2009; DFID, 2003; DFID, 2011; Bass and Renard, 2009; NORAD 1999; NORAD, 2005; UNDG 2011; UNDP, 2009; UNDP, 2011a; UNDP 2011b; UNDP-UNEP PEI 2009). For example, UN and donor manuals state that the situational analysis should identify the problem and describe the institutional and political-economy context (DFID, 2003; UNDP, 2009). Guidelines and evaluation reports focusing on EDPs highlight the importance of focusing on the existing national development planning processes and of using economic evidence of the benefits of addressing EDPs. This necessarily involves a focus on influencing ministries of planning and finance (Bass and Renard, 2009; UNDP-UNEP PEI, 2009). (See Appendix 4 for the rationale for the choice of indicators).

A draft set of indicators based on the above referred to manuals and guidelines was prepared by the researcher and submitted to UN officials experienced with EDP projects and programmes for their comments and then finalised as set out in Table 4.2.

4.4 Analysis of Examples of UN Activities or Initiatives relevant to Addressing EDPs.

The second component of the methodology is set out in Box 2 of Figure 4.1. While this study is primarily based on full case studies of programmes or projects designed to address EDPs, analysis of a number of examples of other UN activities or initiative is also part of the methodology. These are analysed in a separate chapter, and do not involve a full application of the case study evaluation framework. Rather, the analysis of the examples provides additional information for assessing UN effectiveness and helps to validate the findings of the case study evaluation.

4.5 Research Diary and Interviews

4.5.1 Research Diary

This researcher maintained a research diary throughout the study period to provide additional material and insights to help assess the effectiveness of the UN in relation addressing EDPs. Employing a reflective diary in the study method is particularly useful because events or discussions are recorded in real time and it enables input from staff of other UN agencies and donors to augment the analysis, with such input referred to as

participant observations. The position of the researcher as a UN official ensures that the research diary contains substantive and in-depth material to enable identification of 'the way things really are around here' (p16, Trompenaars and Prud'Homme, 2004).

4.5.2   Interviews

The study also incorporates information from semi-structured interviews and discussions (formal and informal) to (1) gain deeper knowledge of the effectiveness of individual case studies and the reasons for the assessed level of effectiveness, (2) to increase understanding of overall reasons for UN effectiveness, including higher-level reasons. These interviews and discussions focus on a core group of present and former UN staff and others with substantive knowledge of each case study and expertise in addressing EDPs. Interviews and informal candid discussions with experienced UN and other development aid officials provide deeper insights into the effectiveness of UN performance. The most substantive interviews are semi-structured face-to-face interviews held with six former senior or very senior UN managers focusing on UN effectiveness. A written description of the problem, a definition of EDPs and a question seeking their views on how to improve UN effectiveness to guide these interviews was distributed before the interviews were conducted.

4.6   Problem Tree Analysis

The analysis of the case studies will identify factors and patterns that contribute to UN successes and failures in addressing EDPs. Study of the EDP examples and insights from the research diary and interviews provide additional information to help evaluate the level of UN effectiveness and the reasons for this assessment. Problem-tree analysis (PTA) is another of the research methods used and is a type of cause-effect analysis. This well-proven and standard tool is applied in the design of development aid programmes and projects by both the UN and donor agencies (DFID 2003; NORAD, 1999; UNDP, 2009).   A problem-tree analysis identifies the "root causes and major effects of the problems in order to better design solutions" (p39, UNDP, 2009). A PTA has the ability to identify both immediate and higher-level causes of problems, including EDPs. In doing so, the PTA will provide a greater depth of analysis of the barriers to UN effectiveness including UN, country-specific and other factors.

In addition, the factors and patterns identified in the PTA can help determine whether causes can be grouped into categories, including those that correspond with those variables proposed as being are particularly relevant to this study. These factors include development aid programme and project design, organisational culture and the complexity of addressing EDPs as set out in Chapter 3.

A PTA is also very useful to identify which stakeholders are most closely linked with particular causes of an EDP, and who therefore is the most appropriate entity for addressing those causes. For example, the PTA will help identify the UN agencies and management entities within the agencies that are most relevant to the causes of EDPs not being adequately addressed.

A PTA is also a key tool for identifying what needs to be done to address a problem. When causes of problems are correctly identified, it follows logically that project activities and outputs can be designed to more accurately target the problem. Alternatively, if the causes are of a higher-level or broader nature, the project designer must take these into account and increase the scope of the intervention or influence other development partners to help address such issues (UNDP, 2009).

PTAs vary in scope and complexity, for example, a PTA for a project targeting a fairly narrow issue is substantially less complex than a PTA for a major and complex programme such as one addressing EDPs. A simplified framework of a PTA is presented in Figure 4.2. The PTA comprises a series of boxes that set out the problem, its effects and its causes. The boxes represent the tree trunk (the problem), the branches (the effects) and the causes (the tree roots). The effects and causes are listed and grouped according to categories and/or causal chains, taking into account that most problems have categories of specific causes plus underlying causes that contribute to an immediate cause of a problem. For example, Figure 4.2 shows that an immediate cause of the problem is "inadequate channels and opportunities for citizen involvement in decision-making relating to public policy", with underlying contributing causes shown in boxes below the immediate cause, including "low awareness of potential e-governance".

A draft PTA based on the case study evaluations, EDP examples, research diary and interviews, will be reviewed by a panel of experienced UN officials then finalised. In summary, the PTA is a management and planning tool that can help identify and respond to reasons why EDPs in developing countries are not being adequately addressed. Conducting PTAs also makes it possible to identify non-project specific factors that may compromise the effectiveness of the development project.

Figure 6. The problem tree (example)

Low voter turnout among women and indigenous groups

Low rates of citizen compliance with public policy

Inadequate government revenues for investments in social development

Inadequate government tax and fee collection

BRANCHES (effects) above trunk

Low levels of public confidence and involvement in national and local processes of governance and decision making
(TREE TRUNK)

ROOTS (causes) below trunk

Low levels of public confidence and involvement in electoral systems and processes, particularly among women, indigenous and other marginalized groups

Inadequate channels and opportunities for citizen involvement in decision making relating to public policy

Social norms and cultural practices hinder participation by indigenous groups and minorities in public decision-making processes

Electoral laws, systems and processes disenfranchise citizens

Women, indigenous populations and other groups unaware of their rights and the responsibilities of the state

Key state institutions lack e-governance capacity

Poor capacity of electoral administration agencies

Electoral laws outdated

Inadequate investments in e-governance

Low awareness of potential of e-governance

Lack of consensus between political parties on need to reform electoral laws

Figure 4.2: Problem Tree Analysis

(p39, UNDP, 2009)

4.7 Summary of how the components of the methodology will work together.

The Case Study evaluation provides a detailed analysis of the effectiveness of the UN projects and programmes to address EDPs in developing countries. The findings are augmented by an analysis of EDP examples, to validate findings of the case study analysis.

The research journal and expert interview results provide additional insight to explain the effectiveness of the UN in addressing EDPs. The PTA provides more in-depth analysis of the causes of EDPs and of UN effectiveness in addressing them.

4.8 Results, Conclusions and Recommendations.

4.8.1 Summary and Discussion of Results

Chapter 13 will present the overall assessment of UN effectiveness and the reasons for it based on the analysis of all the case studies, the EDP examples, the research diary and interviews plus the PTA - see Box 5 in Figure 4.1. The discussion will:

- Present the assessment of the effectiveness of the UN in addressing EDPs
- Set out the reasons for its effectiveness or ineffectiveness
- Indicate if the reasons can be logically grouped into key themes, including the hypothesised explanatory variables
- Present any other reasons for relative effectiveness
- Indicate the broader applicability of the findings to other development problems.

4.8.2 Conclusions and Recommendations.

Conclusions on the effectiveness of the UN in addressing EDPs in developing countries will support recommendations for improving UN operations to do so (See Box 6 of Figure 4.1). The recommendations will be grouped by problem and summarised in a table. The most likely categories are:

- Reform within UN agencies (in this case particularly within UNDP and UNEP).
- Reform within the broader UN System, including a focus on UN System co-ordination and inter-governmental processes.
- Higher level development aid theory and practice

Table 4.3 shows the proposed structure of the results and recommendations:

Table 4.3   Structure of how the research recommendations will be presented

Target	Problem Type	Problem Description	Relevant Research Findings.	Recommended Solution	Responsibility
1. UNDP	Development Aid Design; Organisational Culture	Current results based M&E not applied in aresults based manner.	Insufficient capacity for results based M&E	1. More substantive training for UNDP staff 2. Stronger inclusion in staff performance appraisal.	UNDP Bureau of Management
2. Etc					

4.9 Sources of Data and Analysis

This section sets out the main sources of data used by this study. As a UN official, the researcher had full access to UN hard copy and electronic files, UN intranets, UNEP and UNDP knowledge management systems and UN, donor and government staff.

Each UN project and programme is assigned an identification number and formal title that is used for the duration the initiative. This process included preparation and registration of a project document (ProDoc) that includes much of the information on which the study is based. During the course of this research many project documents (ProDocs) and additional documentation relevant to this research were consolidated, archived and/or transferred into hard or electronic file storage systems that provided comprehensive data sets for this study. Material from retiring staff members was also made available for the study. Electronic communications, including e-mails and online project delivery monitoring systems, also provide a substantive source of material. The UN's practice is to keep hard copies of substantive emails and other electronic reports on project electronic and hard files.

UN programmes and projects are periodically reviewed and evaluated, and those findings are incorporated into the ProDoc file and therefore are available for this study. Progress reports and reviews provide highly relevant information on programme progress and the reasons behind the level of progress reported. Evaluation reports of EDP projects and programmes by donors, outside consultants and independent UN evaluation offices provide valuable and independent assessments of the effectiveness of the EDP initiatives. The study also relies on a range of other relevant documents, such as more general UN evaluation reports.

4.10 Selection of Case Studies

This section summaries the case study selection criteria and provides a brief summary of the case studies selected.

4.10.1 Case Study Selection Criteria

The selection criteria developed are:

- The case study is a programme, project or policy initiative that substantively targets one or more EDPs;

- The case study is representative of EDPs and UN efforts to address those EDPs;

- UNEP and/or UNDP was the prime or a substantive partner in the EDP programme or project, as these are the main UN agencies addressing EDPs;

- There is sufficient quality and quantity of programme or project documentation and other data available to ensure substantive and detailed analysis of the case study. This includes substantive documentation on project or programme design and implementation and preferable reviews or evaluations.

Documentation of potential case studies are collected and analysed. These are selected and ranked according to their congruity with the criteria listed above. In addition to the full case studies, a number of other UN activities or initiatives relevant to UN efforts to address EDPs are selected to complement the case studies and allow a deeper insight into UN EDP initiatives, for example, an evaluation of a UN office that implements EDPs.

4.10.2 Summary of the Case Studies

Six case studies assessed to be representative of all UN initiatives to address EDPs are presented below.

Case Studies 1-4: Four UN projects or programmes that specifically target EDPs.

1. UNEP Poverty-Environment Project
2. UNDP-UNEP PEI Africa Programme
3. Rwanda PEI Project
4. UNDP-UNEP PEI Global Scale-up Programme

The PEI is the only UN programme specifically addresses EDPs and the UNEP Poverty and Environment Project was the key precursor to it. Collectively these constitute the most relevant case studies. All four case studies focus on integrating the environmentally sustainable use of natural resources into national and sector development plans and budgets. The aim of these case studies is to reduce the negative development impacts of environmental and natural resource unsustainability.

Case Study 5: UNEP Water Policy and Strategy

This case study focuses on the formulation of a policy and strategy to guide all future UNEP water programmes and projects and it contains substantive reference to both environment and economic aspects of water management. The unsustainable use of water creates some of the most challenging EDPs and addressing these issues is seen to be a prerequisite to the achievement of a number of development goals.

Case Study 6: Southern Africa Development Community (SADC) Regional Strategic Action Plan for Integrated Water Resources Management (RSAP-IWRM)

The SADC RSAP-IWRM programme focuses on achieving efficient and equitable water use throughout the SADC region. The programme stresses the importance of sound management in its policy and infrastructure projects order to achieve regional economic goals. Currently it is the largest freshwater management programme in the developing world. This case study was chosen as the UN provided key technical advisory and management support and it is an example of the UN playing a catalytic role aimed at helping other entities address EDPs.

EDP Examples

<u>UNDP Poverty-Environment Nexus Evaluation</u>

The UNDP Poverty Environment Nexus (PEN) evaluation evaluates UNDP's effectiveness in responding to EDPs, particularly at the developing country level, and provides recommendations to improve how UNDP addresses poverty-environment issues. It also refers to Case Studies 1-4 and thus provides additional analysis to assessing their effectiveness.

<u>An example of UN-Government-donor issues that reduce EDP project effectiveness.</u>

This was a country level project seeking to address EDPs in an African country. The design of this project highlighted how UN-Government-donor issues can negatively impact on EDP project effectiveness.

<u>Norwegian PEI Africa Evaluation</u>

This is the most substantive evaluation of UNEP and UNDP's Poverty-Environment Initiative and it is the only UN programme that is specifically dedicated to addressing EDPs. It contains findings that highlight factors that influence the effectiveness of UN efforts to address EDPs more broadly.

<u>UNDP-UNEP Memorandum of Understanding implementation</u>

As EDPs are both environment and development problems, it is necessary that the two UN agencies with prime responsibility for supporting development countries work together in an effective manner. The UNDP-UNEP MOU is the prime agreement to improve co-operation between the two agencies and its implementation will be studied in this example.

Case Study 1: The UNEP Poverty-Environment Project (UNEP P&EP) Prior to Restructuring.

5.0 Introduction to four cases studies based on the UNEP Poverty and Environment Project and the UNDP-UNEP Poverty-Environment Initiative

5.0.1 The Four Cases Studies

These four case studies are based on the only UN initiative specifically targeting EDPs, the UNDP-UNEP Poverty-Environment Initiative (UNDP-UNEP PEI) 2004-2013, and on the UNEP Poverty and Environment Project (UNEP P&EP), which was the key precursor to the PEI. The UNEP P&EP was restructured and became the UNDP-UNEP PEI in 2005 when it was merged with the earlier established and smaller UNDP PEI. Case Study 1 is the UNEP Poverty and Environment Project; Case Study 2 the UNDP-UNEP Poverty-Environment Initiative Africa; Case Study 3 the UNDP-UNEP PEI Rwanda Phase 1 Country Project; and Case Study 4 the UNDP-UNEP PEI Scale-Up.

The PEI supports governments in developing countries in understanding how environmental and natural resource (ENR) sustainability can contribute to the achievement of development goals and how to integrate pro-poor ENR sustainability into their national and sector development planning and implementation processes, including budgets.

The UNDP-UNEP PEI has a high profile within the context of UN reform, as the two agencies have developed a fully integrated joint programme, with joint management, design and implementation, plus pooled funding held in one account. This is not the way that UN agencies normally co-operate.

The rationale for the UNEP Poverty and Environment Project (UNEP P&EP) and the UNDP-UNEP PEI is that a key reason why ENR sustainability has not been achieved in developing countries is that it is not seen as a priority by key decision makers in governments responsible for setting national- and sector- development planning policy and budgetary priorities. This is partly because Country governments and key line ministries, such as agriculture, energy and fisheries, view environmental issues in terms of environmental protection and as a potential competitor to development. In developing countries where the key priority must be development, including poverty reduction, a reluctance to make ENR sustainability a priority is understandable given the persistence of traditional approaches based on environmental protection.

5.0.2 Case Study 1: The UNEP Poverty and Environment Project Prior to Restructuring (UNEP P&EP)

Formal Title: Strengthen Environmental Policy and Management Capacity at the National and Local Levels as a Contribution to Poverty Alleviation and Sustainable Development in Africa (UNEP 2004).

This project followed from the UNEP Governing Council decisions of 21/15 and 22/10 that requested the UNEP to increase government understanding of the links between poverty and environment and to integrate environment into development plans (UNEP-GC21, 2001; UNEP-GC22, 2003). The project had country programmes in seven countries: Mauritania, Mali, Uganda, Rwanda, Kenya, Tanzania and Mozambique. Initially, the duration of the project was from April 2004 to the end of 2007. However, delays in country implementation led to the restructured project being extended to the end of 2009.

The objective of this project was "to increase developing countries capacity to mainstream environment in their development strategies" (p7, UNEP P&EP, 2004). The conceptual basis for the P&EP was that of ecosystem services, as set out in the Millennium Ecosystem Assessment and associated reports (International Institute for Sustainable Development (IISD), 2005; Irwin and Ranganathan, 2007). Ecosystem services provide social and economic benefits to humans and contribute to their well being, while if ecosystem services are degraded the contribution they make to human well-being is reduced. Ecosystem services are: Provisioning (food, freshwater, fibre and fuel); Regulating (biophysical processes that control climate, floods, diseases, air and water quality and erosion); and Cultural (recreational, aesthetic and spiritual); and Supporting (underlying processes such as soil formation, photosynthesis and nutrient cycling) (Irwin and Ranganathan, 2007). These services are inter-linked; for example, soil erosion reduces agricultural productivity and hence provisioning services are also reduced.

UNEP played the key role in this case study. UNEP HQ developed the concept behind the P&EP, initiated the project and designed all aspects of the project and its implementation. UNEP HQ also chose the participating countries and managed the P&EP.

Description, Comment and Assessment of the Case Study

Note that the comment and assessment sections below will refer to both the design and implementation of the different elements.

5.1 Situational Analysis

5.1.1 Description

Consistent with the UNEP project document format that applied at that time, the Project Document (ProDoc) did not include a situational analysis section. However, the ProDoc

included a section titled 'Background/Problem Description' that contained elements of a standard situational analysis. Other sources that provided evidence on UNEP's understanding of the problem include UNEP Governing Council papers (UNEP P/GC.22/INF/30 2003).

As described in the ProDoc, the problem was the continuing environmental degradation that exists in Africa and the relative failure of existing efforts to halt this degradation. Explicitly stated issues that the project was designed to address include the failure to reflect the links between environmental sustainability and development goals in national sustainable development strategies and national development plans. The ProDoc further stated that it was necessary to move away from sector-based assessments to integrated assessments of the links between environment and development, i.e. to "capture the links between ecosystems and ecosystem services, their impact on human wellbeing and poverty reduction…" (p4, UNEP P&EP, 2004). The type of integrated assessment chosen for use by the project was the integrated ecosystem assessment (IEA). An IEA is "a synthesis and quantitative analysis of information on relevant physical, chemical, ecological and human processes in relation to specified ecosystem management objectives" (p4, Murawski and Menashes, 2007). In other words, it is a tool primarily aimed at achieving improved ecosystem management.

Additional problems included inadequate capacity to carry out IEAs and to design the necessary policy interventions within poverty-reduction strategies. Additional elements of the problems are contained in the listing of needs in the ProDoc logframe. Eighteen needs are identified, organized into four levels—local, national, regional and global. These needs include increasing the capabilities of local communities to achieve policy coherence at the national level, and the establishment of regional African expert networks to create synergies between actors at the global level.

5.1.2 Comment and Assessment

Overall, the ProDoc did not meet the relevant indicators of effectiveness for the situational analysis and was thus inconsistent with good development aid design practice. The situational analysis is important because without it, it is less likely that the problem and its causes will be accurately identified. This makes it more difficult to design a project to correctly identify and implement the required solutions. Without an adequate situational analysis it is also difficult to understand how higher-level or broader policy and institutional factors contribute to the problem or to understand their implications for designing solutions to it.

The problem description was adequate at a general level in referring to the failure to include the links between environmental sustainability and development goals in national

development strategies. The reference in the problem description to countries facing the "challenge of integrating responses or intervention strategies within national development or poverty reduction strategies" was also most relevant (p4, UNEP P&EP, 2004). But the project design and implementation at the country level did not adequately respond to these factors, as will be discussed in subsequent sections.

The lack of an adequate response to the problem and the resulting challenges were primarily because the analysis of the cause of the problem was faulty. According to the P&EP, a key cause of the problem at the country level was failure to carry out integrated ecosystem assessments. In fact, the problem cause was a more conventional failure to include assessments of environmental issues and their potential economic impacts on development goals in established national and sector development planning processes. For example, it was not the country-level practice of carrying out agriculture-sector assessments rather than ecosystem assessments that was a key cause of the failure to integrate environmental sustainability into agriculture sector development plans. Rather, it was the failure to carry out any meaningful assessment of the economic costs of environmental degradation on agricultural productivity and then the subsequent failure to take action to lower these costs in the agriculture-sector plan. Thus, as will be seen in the Strategy section, the ProDoc placed too much emphasis on using one methodology— integrated ecosystem assessments—to convince governments to take sufficient action to decrease environmental degradation.

The ProDoc included no substantive analysis of the higher-level issues and processes relevant to the project. The situational analysis should have provided a general overview of likely higher-level issues and of development planning and environmental institutions and associated processes at the country level.

The absence of an adequate situational analysis was also a key factor resulting in a project design that was too 'top down' and not adequately responsive to the circumstances in different countries. This observation was documented in donor evaluations of the UNEP P&EP and the PEI (UNEP, 2006; Bass and Renard, 2009). An adequate situational analysis would have identified that the countries in which the UNEP P&EP were operating had varying EDPs and national development planning institutions, processes and timetables, which would have highlighted the need for a country-based design process. But this country-based approach did not occur, despite development aid manuals highlighting that this was standard good practice. As quoted in the literature review, "Where Bank programmes have not been well aligned with country conditions, there has been substantial risk of failure, even when the ownership environment was otherwise favourable for Bank support" (p39, World Bank, 2004). These conditions include the national and organisational cultures that characterise a country and the in-depth country knowledge needed to prepare a good

situational analysis that will also provide ongoing guidance on 'how things are really done around here' to help ensure project success. For example, UN officials state that Francophone West African countries have national and organisational cultures that are substantively different from those in Anglophone East and Southern African countries, and that a different approach is needed to project management and inter-actions with country counterparts in the two country blocks. More specifically, that Francophone West African country national and organisational culture is more hierarchical and formal, with a higher requirement for protocol. These views are consistent with the findings of Trompenaars and others as referred to in the Literature review. The failure to carry out a situational analysis in potential P&EP countries also meant that the suitability of countries for a P&EP country project was not assessed beforehand.

In conclusion, the lack of an adequate general and country-level situational analysis contributed to a misdiagnosis of the causes of the problem. Moreover, there was inadequate or no analysis of higher-level policy factors, institutions and processes. This led to an inappropriate design of the UNEP P&EP such that the actual problem was not accurately targeted, which led to an inappropriate strategy being adopted, which in turn led to the poor results of the project.

5.2   Strategy

5.2.1   Description

A strategy is in essence the plan of action to achieve the desired result. The ProDoc did not include a strategy section as this was not a requirement for a UNEP ProDoc at that time. However, key elements of the overall strategy can be identified from different parts of the ProDoc and other documentation relating to the UNEP P&EP. These demonstrate that the overall strategy to achieve the project objectives was to:

- Apply the concept of ecosystem services to argue that the environment was linked to development
- Demonstrate these links by carrying out integrated ecosystem assessments and
- Build national capacity to integrate such links into national development planning processes.

The ProDoc included a section 'Strategy for Effective Implementation' which contained sections on the P&EP implementation strategy and arrangements. These referred to selecting countries on the basis of high-level political support and of maintaining such support through continuous effort. The project was implemented in seven countries, Mauritania, Mali, Uganda, Rwanda, Kenya, Tanzania and Mozambique. Originally the project was to focus on five countries, but two more were added at the request of the Belgian donor.

Formal country commitment was signalled by a Memorandum of Understanding (MOU) or project documents signed with respective governments.

Co-ordinating and co-operating with other agencies in the field, including UN Development Programme (UNDP), the World Bank, the European Union and the Department of International Development (DFID) was seen as of the "utmost importance". There was specific reference to working in close co-operation with the existing UNDP PEI projects in Tanzania and Kenya. It was stated that Eco-system-Capability Augmentation Poverty Eradication Approach (ESCAPE) guidelines would be applied to implement the project. Specific emphasis was placed on internal co-ordination within UNEP to assist with implementation.

In addition to what was contained in the ProDoc, a description of other key elements of the strategy were found in an information paper presented to UNEP's Government Council that focused on UNEP's poverty and environments work. This indicated that key elements of the strategy included national workshops to highlight the importance of poverty-environment linkages; establishment of task forces focused on the most important linkages; preparation of national poverty-environment assessment reports; and finally, a national poverty-environment strategy (UNEP/GC.22/INF/30, 2003).

Although not set out in this section, a key element of the UNEP P&EP strategy was the use of four international institutes to provide support to the implementation of the seven PEI country projects.

5.2.2 *Comment and Assessment*

As noted above, the strategy was not set out in the ProDoc in a comprehensive or coherent manner, as evidenced by the ProDoc not having a strategy section.

The development of the ProDoc also did not take a participatory approach, either with respect to governments or the UNDP, and was developed at UNEP Headquarters. The lack of a participatory approach to ProDoc development was a key reason why the depth and width of country ownership necessary for successful implementation was not obtained. This reflected the failure to adequately involve country partners in the choice of countries and when designing country PEI projects, and was identified as a problem by the Belgian evaluation.

> There was inadequate prior consultation with the participating countries and as a result the period of gaining country ownership and preparing to launch the sub-projects at the country level was prolonged and time consuming (p21, UNEP 2006).

With regard to the depth of country ownership, there also appeared to be a misunderstanding within UNEP regarding the type of country-level ownership that was most important. For example, while the ProDoc states high-level political support was important, strong ownership at the level of the government officials key to successful implementation of the project was more important.

The lack of real country ownership manifested itself in several ways. For example, in one country, the senior government official in the national environment institution requested that he and all staff involved in the project be paid a salary to compensate for the time spent on the project; this was even though the project was directly aimed at achieving implementation of the environmental sustainability provisions of the country's Poverty Reduction Strategy Paper (PRSP). While this was agreed to by UNEP, key officials in this country did not devote the agreed time to the project implementation. (This practice was legal by UNEP rules and is referred to as a salary top-up, but was later discontinued when a new phase of the PEI commenced, as it was inconsistent with broader UN and donor procedures.) It is not unusual to find it difficult to get the necessary level of commitment for complicated, high-transaction costs projects like this from civil servants in developing countries, many of which are paid less than US$300 a month, gross. This is one reason why they support significant amounts of travel to UN funded workshops, as the UN daily allowances can equal more than half of a month's salary.

The strategy applied was inappropriate for addressing the problem, since the causes of the problem had not been adequately identified and because it did not follow standard development aid good practice. Further, the strategy combined normative and operational elements, whereas the objective of the project was operational. As the problem had not been identified correctly, the strategy placed too much emphasis on using one methodology, integrated ecosystem assessments (as per the MA model), to convince governments to take sufficient action to decrease environmental degradation. This emphasis reflected the view that the application of this particular methodology, plus building capacity in the application of that methodology, was key to convincing governments to integrate environmental sustainability into national development strategies. The belief was that once environmental sustainability was included in such strategies, governments would then take the action needed to significantly reduce environmental problems.

In fact, the experience of the (P&EP) when restructured into the UNDP-UNEP PEI Africa programme as discussed in Case Study 2, indicates that a key factor for success was identifying the links between environmental sustainability and national economic priorities in an operational sense. The strategy evolved to use a range of tools, rather than using one. In particular, the later use of standard economic analysis in the PEI Africa programme to

assess sector-level costs of environmental unsustainability was found to be particularly useful, not least because governments make policy and budget decisions on a sector basis, not on an ecosystem basis. For example, the later PEI Scale-up proposal based on the lessons learned from the P&EP highlighted the importance of economic evidence (UNDP-UNEP PEI, 2007). The usefulness of economic assessments was that they more clearly demonstrated the link between environmental unsustainability and the achievement of development goals, using methodology and language with which the relevant development decision makers were already familiar. The importance of a sector focus was included in the poverty-environment mainstreaming guidelines developed by UNDP and UNEP in 2009 (UNDP-UNEP PEI, 2009).

Additional evidence that the problem was not understood and accurately reflected in the strategy and project design: The ProDoc indicates that an assumption behind the analysis of the problem is that including poverty-environment objectives in national development processes will lead to the action necessary to reduce or fix EDPs. However, this assumption was incorrect. Internal UNEP papers drafted as a precursor to the UNEP P&EP being restructured, plus the ongoing experience of the PEI, indicates that even if environmental sustainability objectives are included in national development plans, that does not mean that governments will necessarily make the policy changes or budget allocations necessary to implement these objectives without continuing engagement and support from the UN and/or other development partners, like DFID. The UNDP-UNEP poverty-environment guidelines recognise this by including 'Meeting the Implementation Challenge" as one of the three poverty-environment mainstreaming model components (UNDP-UNEP, PEI, 2009). As the Norwegian evaluation points out, poverty-environment mainstreaming is a 10–20 year process of institutional change (Bass and Renard, 2009). Literally years of effort are needed to achieve the necessary improvements in policy, budgets and capacity to successfully address EDPs, which also reflects the complexity of the problem. One of the consequences of the misdiagnosis of the problem is that the planned duration of the UNEP P&EP of three to four years was too short.

At the country level it was found that the strategy of applying integrated ecosystem assessments (IEA) was of limited value for improving the integration of environmental sustainability into national development strategies, for a number of reasons. These included that the methodology was new and needed more development—for example in terms of incorporating the economic aspects and increasing application capacity at the country level. (That the methodology still (2012) needs more development is evidenced by the Government of Sweden in 2010 providing funding to the UNDP-UNEP PEI to further develop the methodology for application at the country level (Government of Sweden,

2010.) Another factor that limited the usefulness of the strategy is that the terminology and concepts used by the IEA methodology differ from those used by the decision makers in ministries of planning, finance and key sectors, who should have been the target audience for this project. This was recognised in early 2005 by UNEP, which stated in an internal paper that the

> ecosystem services concept not understood at country level. Too difficult to explain and implement. OK to build understanding in Environment ministries, but no good for convincing Planning and Finance (p2, UNEP P&EP, 2005).

It remained an issue—for example in 2008, a senior UN PEI manager repeatedly requested the programme managers promoting the IEA approach to explain what they would say to economists of the ministry of planning who asked why they should use the ecosystem services approach. The relevant ecosystem managers could not provide any clear answer to these questions (UN official, pers comm., 2008). Another and more senior UN PEI manager identified the academic approach by the proponents of ecosystem services methodology as a major obstacle to convincing decision makers in ministries of planning that environmental sustainability should be a higher priority (UN official pers comm., 2008).

This debate over the use of the IEA methodology highlights a broader point relative to the effectiveness of UN (in this case UNEP) in addressing EDPs at the country level: Developing and testing a new methodology (normative task) and working to bring about policy and budgetary changes (operational task) are different tasks and combining the two, as this project essentially did, makes achievement of the desired operational outcome more difficult. If the normative task has not been adequately completed, then one is seeking to bring about change through a methodology that is not fully developed and operationally proven. Evidence that the two tasks were combined is contained in the UNEP Governing Council (GC) document, which stated: "The next step[s]…is to operationalise the conceptual framework and to test this approach in a number of country studies" (p4, UNEP/GC.22/INF/30, 2003), with operationalising and testing being a mix of operational and normative tasks. Normative and operational roles and requirements should be identified clearly at an early stage and the strategy developed should be consistent with their differences.

Far more emphasis in the strategy and other parts of the ProDoc was required on how to integrate pro-poor environmental sustainability objectives into national development plans, and then how to implement such objectives via sector policies, plans and budgets. Further, the ProDoc should have made it clear that the design of detailed PEI projects in each country was necessary to achieve such integration. Ongoing experience, as reflected in later documents, made it clear that deep, continuing engagement with development institutions

and processes at the country level was a key to success, rather than any particular tool or approach (UNDP-UNEP PEI, 2007, 2007a, 2009). This is consistent with the literature review's findings on the importance of institutions in designing effective development aid (Langhammer, 2004; Paul, 2006: Leonard, 2010).

The strategy did not reflect the fact that some countries had already partially incorporated environmental sustainability into national development processes, so the strategy needed to focus on operationalising or improving environmental commitments, not convincing governments that environmental sustainability was important, because this had already been accepted. (Operationalising environmental commitments can be defined at integrating them into national and sector policies, programmes and projects, and then assigning the necessary budgetary and management resources to ensure that they are implemented.)

A critical flaw of this project is that while it seeks to convince planning, finance and key line ministry officials that environmental sustainability is a development issue, there was inadequate ownership or involvement in the project in all but one of the seven countries from the planning and finance ministries. As the project aimed to integrate environmental sustainability into national development processes, the strategy should have made it clear that the key ministry in each country for this project was the one responsible for the national development planning process. This planning ministry should have been the lead for the project. However, UNEP chose the environment ministry or agency to be the lead agency for the PEI country programmes in all but one of the seven countries. (In the seventh, Kenya, UNDP had already established a UNDP PEI project and they had chosen the Planning ministry as the lead).

In a number of countries, including Mauritania, Mali, Uganda and Mozambique, the failure to adequately focus on the ministry responsible for the national development resulted in inadequate progress. In one country a key reason for phasing out the PEI programme was the continuing failure of the environment agency to adequately work with the planning ministry. One key reason for the lack of progress is that environment ministries lack the power to influence planning, finance and key sector ministries. Another reason is that many environment agencies are very short of funds and saw the UNEP P&EP as an agency funding mechanism, rather than as a strategic cross-government policy-influencing project. The need for planning or finance ministries to lead or co-lead is reflected in later UN guidelines (UNDP-UNEP, 2009).

In contrast, in Tanzania the poverty eradication and environment departments were co-located in the Vice President's Office (VPO), and the deep involvement of the poverty eradication office was an important factor in the success of the project. Conversely, when

the poverty reduction department was moved from the VPO and the environment office became the sole lead, progress slowed significantly (IIED pers. comm., 2008). Consistent with this, the Norwegian evaluation found that working with ministries of planning and finance was important for success (Bass and Renard, 2009), and the PEI Scale-up proposal noted the importance of focusing on development ministries (UNDP-UNEP PEI, 2007). Subsequently, it became a conditionality that new PEI country programmes were led or co-led by the ministries responsible for development planning.

In addition to ownership, a key part of a successful strategy turned out to be substantive continuing engagement in existing government national and sector-development planning processes, and nowhere was this indicated in the ProDoc. Nor was such engagement a reality before restructuring of the UNEP P&EP. Key elements of the UNEP P&EP strategy indicates that new task forces would be formed in the P&EP countries, yet good aid practice as articulated in UNDG, UNDP and OECD Development Aid Committee guidelines promotes the use of existing country processes and mechanisms. Contributing to existing national development planning process working groups and other mechanisms was the way to succeed, as indicated by the Norwegian evaluation (Bass and Renard, 2009). The ProDoc states that the final output of the UNEP P&EP at the country level was a poverty-environment strategy, when what was needed was that the government's existing national development strategy better include poverty-environment objectives. These lessons are reflected in the UNDP-UNEP PEI Scale-up proposal, ProDoc and the PEI mainstreaming guidelines (UNDP-UNEP PEI, 2007, 2007a, 2009). Finally, the ESCAPE methodology, referred to above as an element of the strategy, was not applied and no explanation for this could be located.

A core element of the project implementation strategy as set out in the ProDoc was support to the seven PEI countries from the four international institutes. However, the work plans and budgets for the four international institutes were developed and included in the legal agreements between UNEP and the institutes without any consultation with the seven countries—that is, the support from the institutes for the project was decided without finding out what kind of support was needed in the countries. Also, the international institutes were located outside of Africa, and so could not provide the level of support needed to countries. (Two were in North America, one in the UK and another in Japan). Perhaps more importantly, the institutes did not have country-level experience of poverty-environmental mainstreaming. One subcontract developed under an institute did provide useful support at the country level, largely because it was subcontracted to an Africa-based organisation. In addition, there were very high transaction costs associated with managing four institutes

providing assistance to seven countries, since this meant co-ordinating and managing 28 interactions, and this proved to be impractical.

While the ProDoc identified partnering with UNDP as a key part of the strategy, the collaboration with UNDP PEI and UNDP country offices was most inadequate. While the failure to collaborate with the planning ministries could be explained by UNEP's lack of experience with country operations of this type, the failure to co-operate with UNDP was inexcusable. This was especially true as UNDP had a well-established poverty-environmental mainstreaming programme in the UNDP PEI and it would have been entirely logical to join forces with this existing, well-funded programme at the earliest stage possible. Further, it was inexcusable as the negative consequences of not working adequately with UNDP (and others) had been previously recognised and reflected in the ProDoc, which indicated that co-operation with UNDP was "a must" and that "failure to establish such cooperation will result in duplication of activities, high transaction costs, confusion from the host countries as to who is doing what and ultimately to a failure of the projects" (p14, UNEP, 2004).

This warning proved to be accurate and the implementation of the UNEP P&EP at the country level was seriously inhibited as a result of the failure to co-operate with UNDP. The reasons for not co-operating adequately with UNDP were mainly attitudinal— a reflection of the broader organisational culture of UNEP that saw UNDP as a competitor and a reflection of the failure of UNEP to adapt its organisational culture in the face of UN reform that specifically aimed for greater co-operation between agencies. For example, in response to pressure to work more closely with UNDP, the lead consultant to UNEP P&EP preparation and implementation expressed concerns about "selling out to UNDP" (UN official, pers comm., 2005).

Worse, the resistance within UNEP to co-operating with UNDP was articulated in an antagonistic manner that led to a breakdown in communication between the UNEP P&EP and the established UNDP PEI that reached such a level that key donors intervened robustly. The governments in Kenya and Tanzania and the relevant UNDP offices also objected to UNEP promoting separate environmental mainstreaming projects with separate financial disbursement arrangements and asked that UNEP combine its projects with the support offered by the UNDP PEI (UNDP and DFID officials pers comm., 2005).

An underlying explanation for the issues is that they reflected UNEP's predominantly normative experience and its relative lack of experience with country-level development aid operations. Some of the specific elements of the strategy that should have been spelled out in more detail in the ProDoc, in conformity with development aid good practice, were how

UNEP would work with UNDP country offices and how projects would be designed and implemented in countries. Additionally, the strategy should have included how UNEP would work with different ministries and engage with the relevant national- and sector-development planning processes. The absence of such details resulted in UNEP P&EP country MOUs and ProDocs failing to detail country-specific arrangements—for example, see reference to the Mauritanian P&EP country project MOU below under Activities and Outputs.

No set of criteria was developed or used in country selection and the choice of countries was somewhat arbitrary, including choices based on donor preferences. There is evidence that UNEP and a donor chose two of the countries without any consultation with them (UNEP, 2006).

An appropriate strategy would also have reflected higher-level issues at the country level, such as broader policy and institutional factors. These include the existing capacity constraints; these were substantive enough when seeking to implement existing policies and priorities, but were even more serious as the UNEP P&EP was attempting to change existing government policy and budgetary allocations in a cross-government manner, a very complex and demanding task. Other high-level issues that impacted on the project were political-economy matters. For example, the high political-economy importance attached to issues such as food security encouraged a short-term focus on annual raw food production, rather than on sustainable agriculture.

In summary, the strategy adopted for the P&EP was not set out coherently in the ProDoc, omitted key elements needed to achieve the desired results and did not adequately target the causes of the problem. Nor did it reflect the complexity of addressing EDPs. The strategy adopted was inconsistent with good development aid design practice, as set out in relevant manuals (UNDP, 2009). While working with UNDP, a key element of an appropriate strategy, was included in the ProDoc, this was not applied in practice. In addition, the strategy mixed normative and operational tasks and was more suited for a normative project, while the requirements for this project to succeed were operational. As a result of an inappropriate strategy, the project failed to deliver its desired results and had to be restructured.

5.3   Outcome

5.3.1   Description

The stated objective was 'to increase developing countries' capacity to mainstream environment into their development objectives'.

5.3.2 Comment and Assessment

The objective was not stated as an outcome and would have been improved by referencing 'integrating environmental sustainability into national and sectoral planning processes and budgets', or by including more elements from the ProDoc title, which was more detailed.

More importantly, as the sections below will demonstrate, the desired outcome was not being achieved and the project had to be restructured. This was because the other elements of the ProDoc were not consistent with what was needed to achieve the outcome, or were not implemented in the manner needed to achieve the outcome. These shortcomings are documented in the Belgian and Norwegian evaluations (Bass and Renard, 2009; UNEP, 2006), as well as in an internal UNEP assessment of the project carried out in early 2005 (UNEP P&EP, 2005), which refers to most of the issues discussed in this case study analysis.

5.4   Outputs and Activities

5.4.1 Description

Results, plus the associated needs, outputs and activities were contained in the project logframe. The document, which is in the standard UNEP logframe format, lists eighteen sets of outputs and associated activities, divided between local, national, regional and global levels (UNEP P&EP, 2004).

5.4.2 Comment and Assessment

While eighteen sets of outputs and activities is a high number, only five were targeted at the national level, even though this was the focus of the P&EP. Moreover the outputs and activities were poorly focused on the operational integration of poverty-environment linkages in national development plans. The Belgian evaluation stated "the original design was 'top-down' and predominantly focused on knowledge based or regional activities" (p21, UNEP, 2006).

Only one set of national activities referred to influencing key sector plans, despite the fact that decisions made in sectors such as agriculture, water and energy have great impact on the environment and are also key to the achievement of national development goals. Thus, the outputs and activities were inappropriate in terms of addressing the problem and achieving the desired results.

As an example of how the outputs and activities reflected the lack of understanding of how to design and implement country-level operations, the ProDoc referred to setting up an inter-ministerial forum, when national development planning processes already have inter-sector co-ordination mechanisms at the ministerial, senior official and working official levels. Focusing on influencing existing and accepted mechanisms set up to develop national and

sector development plans is much more likely to achieve success than the development and implementation of new mechanisms. For example, it saves the time necessary for setting up new mechanisms, plus new mechanisms introduce a level of competition with existing mechanisms and create higher transactions costs. In the broader context, development aid good practice is that existing country systems should be used wherever possible—see the Paris Declaration on Aid Effectiveness (OECD, 2011).

The reality is that global and regional fora and mechanisms have little influence on national development and sector planning priorities and budgets, so including activities at the regional and global levels dispersed effort and funds away from the core objective, which was national-level focused.

Study of the UNEP P&EP country activities designed largely at UNEP HQ in Nairobi also demonstrates that activities in these country projects were not well aligned with the overall project objective and inadequately targeted the desired results. For example, the first Mauritania project document was a nine page MOU signed between UNEP and the UNDP country office in Mauritania, without the government being a signatory (UNDP Mauritania, UNEP, Mauritania, 2004). The activities were listed in broad terms, without any work plan and in less than one page, with a budget of US$240,000. Moreover, the country-level activities were not well linked to the activities in the overall project logframe. For example, there is no activity aimed at directly influencing the national development-planning processes. That this approach was inappropriate is evidenced by the fact that the project in Mauritania failed to delivery any tangible result and that all parties agreed to restructure it. When the Mauritanian country project was restructured, a 53-page document was developed in a participatory manner and signed by UNEP, UNDP and the Government with 12 pages (some partial) of activities with a budget of US$877,000 (UNDP Mauritania, UNEP, Government of Mauritania, 2007). These activities were markedly more substantial in number, scope and focus on influencing the nation's development planning process when compared with the earlier MOU. For example, it included an activity stating "Tools and mechanisms for integrating environment into national and decentralised development plans are developed" (p16, UNDP Mauritania, UNEP, Government of Mauritania, 2007). The original overall UNEP umbrella project work plan did not allow sufficient time for developing PEI country projects, which is part of the explanation of why country-level PEI activities and outputs were not substantive enough. In fact the original logframe does not list country PEI projects as an output.

The activities for the P&EP project included establishment of two committees to guide the project, a steering committee and an expert group. This was excessive for a project of this

size and with such a detailed country focus; thus they were not established and were deleted from the project activities during restructuring.

A review of the outputs delivered, using data from annual UNEP P&EP review meetings, the Belgian and Norwegian evaluations plus other internal reviews, indicates that very few of the outputs were delivered successfully or were on track to be delivered successfully before the UNEP P&EP was restructured, with the decision to restructure taken by UNEP in consultation with donors and UNDP (see Table 5.1). In summary, the original UNEP P&EP ProDoc activities and outputs were not adequately aligned to the problem or project's desired results and thus were not consistent with what was necessary for country-level success in environmental mainstreaming.

Table 5.1 Project Delivery of Outputs

OUTPUT	DELIVERED
Local 1	N
Local 2	N
Local 3	N
Local 4	N
Local 4	N
National 1	PARTLY
National 2	N
National 3	N
National 4	N
National 5	N
Regional 1	N
Regional 2	N
Regional 3	N
Global 1	N
Global 2	N
Global 3	PARTLY
Global 4	N
Global	N

5.5   Work Plan

5.5.1   Description

The ProDoc included a detailed month-by-month work plan for each of the 18 sets of activities.

5.5.2   Comment and Assessment

Consistent with the activities and output not being aligned with the desired P&EP results, once project implementation began it soon became apparent that the overall project work plan was not appropriately structured and did not provide enough time to complete the activities. Significantly, even though the core of the project was projects in seven countries,

the detailed overall work plan was prepared at UNEP HQ in advance without consultation in the countries and without including time to prepare individual country P&EP ProDocs.

Further, shorter-term (e.g. annual) work plans were prepared while multi-year work programmes were necessary for country PEI country projects. The Belgian evaluation recommended that UNEP managers "should prepare revised multi-year project log-frames and work plans" (p24, UNEP, 2006).

In terms of the time taken to prepare PEI country programmes, experience over the seven pilot countries was that in many cases it took at least nine months to draft, redraft and finalise appropriate country work-plans and get them approved by the relevant government departments, time that the original work plan did not allow. As the Belgian evaluation indicated, having to adapt projects designed in a top-down manner to meet country needs and to gain country ownership proved to be a very-time consuming process

> Not surprisingly, the process of launching the sub-projects at the country level has required a sustained process of consultation and tailoring to the needs of the countries in order to obtain a reasonable level of country ownership. This has taken considerable time and effort on the part of the UNEP project managers (p21, UNEP, 2006),

(The Belgian evaluation refers to sub-projects rather than projects, as the support to P&EP was part of the broader Belgian partnership support programme to UNEP, with the P&EP falling under a larger capacity-building project.)

The length of time that should have been allocated to develop and approve PEI country projects reflected the need for a highly participatory approach, which is standard practice for project design and also reflected the complexity of the P&EP program and goals. That is, it was extremely difficult to convince governments to increase the priority assigned to environment sustainability in a cross-government manner and improve the integration of pro-poor environmental sustainability objectives in national development plans. It was equally difficult to implement these objectives through sector policies, plans and budgets where this had not really been successfully achieved before. Attaining this level of country participation requires working with a number of government ministries, planning, finance, environment and key sectors such as agriculture, water and energy, involving high transaction costs in developing country work programmes. At times individual delays in UNEP, UNDP country office and ministries combined into a frustrating process of 'hurry up and wait' that caused serious overall delays. For example, the Mozambique PEI ProDoc awaited the signature of the relevant minister for more than six months, not due to any queries over the content of the ProDoc but because of bureaucratic delays within the Government of Mozambique.

It was repeatedly found that the time needed for project activities was seriously underestimated, reflecting the lack of experience of relevant UNEP staff in country-level operations. Another factor not reflected in the work plan is that national development planning process timetables vary from country to country, starting in different years and taking a varying amount of time to complete, with plans lasting four or five years. This meant that the P&EP work plan was out of synch with most country national development planning timetables.

5.6   Budget

5.6.1   Description

The total budget for the program was US$8.34m in cash, with US$7.0m from Norway and US$1.34m from Belgium. In addition there was a US$420,000 non-cash in-kind contribution from UNEP for staff time. However, the Government of Norway decreased its actual contribution by US$2.0m, so that the available cash funds were actually US$6.34m. This decrease in the contribution was not reflected in the signed project document logframe or budget. Officially, it was not stated why this reduction occurred, but informally Norway conveyed that concerns about UNEP's management of the funds led to the reduction (Norwegian Official, pers comm., 2005). No core UNEP Environment Fund cash was contributed.

The budget was broken down by the standard UNEP budget categories, which do not correspond to the actual results, outputs or activities in the logframe. This is because the UNEP budget categories are based on inputs, such as consultancy fees, workshop costs and travel. The budget shows that US$600,000 was allocated directly to the each of the seven countries, a total of US$4.2m, with an additional US$1.9m allocated to international institutes. Other funds were provided to support staff, travel, workshops and meetings.

5.6.2   Comment and Assessment

Budget categories were not aligned to the outputs or activities in the logframe is because UNEP's project design methodology was not yet adequately results based, although it has since been restructured. It was not possible to change the UNEP budget categories as they were integral to the UNEP financial management system. (UNEP uses the same financial management system as UN Headquarters. UNDP has a more results-based but incompatible system.)   The difficulties posed by using incompatible software and project design modalities were such that the UNEP Poverty and Environment team was authorized to adopt UNDP project format and budgetary categories for PEI country projects, though with a reconciliation system built in the align the UNDP budget categories with UNEP's for financial disbursement and reporting purposes. This agreement took more than a year to

finalize through discussion within UNEP; prior to that two ProDocs for each country PEI programme had to be prepared and approved, with different formats for the respective agencies.

Experience with early implementation showed that the overall budget was inadequate and flawed in its distribution across different budget categories. More specifically, higher funding per country was needed (UNEP P&EP, 2005). While the initial budget per country was US$600,000, following restructuring the minimum cash budget per country increased to US$2.0m, with expenditure in some countries exceeding US$3.0m. (While US$2.0m is 'peanuts' (DFID official, pers comm., 2007) in the context of the bilateral aid, it is a substantial amount of money for a policy project.) For UNEP, which is accustomed to having US$50,000 – US$100,000 country projects, and has an annual core budget of about US$90.0m, it is a substantive amount of money. The issue of inadequate funding for country projects was identified in the Belgian evaluation, which stated that "to sustain the benefits of these sub-projects, it will be necessary to mobilise substantive resources from donors" (p24, UNEP, 2006).

The rationale for providing US$1.9m to international institutes was that they would provide support to country projects. But this did not prove to be cost effective, for a variety of reasons, including that they were based outside Africa. It would have been more cost effective and consistent with good development aid practice to allocate most of the funds directly to the seven pilot countries in this project from the beginning and let the countries indicate what kind of support they needed and from whom.

Other issues in the budget included the following:

- Experience demonstrated that the provision of the funds for travel to the countries was between one-third and one-half of that what was actually needed.
- The allocation of $955,000 for meetings and workshops was excessive.
- The $2.0m cut in Norway's contribution in the budget was not reflected in the budget for several months.
- Insufficient funds were allocated for translation of documents or the conduct of workshops in French.

The US$2.0m cut in the Norwegian budget had potentially fatal consequences to the project. No explanation could be found as to why the project was not immediately revised when UNEP was informed that US$5.0m would be provided rather than US$7.0m. The potential consequences were particularly grave for the PEI country projects, since funding had been committed to the four international institutes through legally binding MOUs, requiring that the burden of cuts would be borne by yet to be developed country projects. The situation

was saved by funds being transferred into the P&EP by Belgium from another Belgian project that was under-spending,

While the amount and structure of the budget was the major design issue, during project implementation poor management of the budget became a dominant issue. More specifically, budget expenditures inconsistent with the project objectives and cost effectiveness led to the main donor threatening to freeze funding. This followed a whistleblower transmitting information to the Norwegians, who complained about inappropriate expenditure by UNEP (Government of Norway official pers comm., 2005). In the end Norway and UNEP replaced, respectively, the Oslo-based Norwegian government staff member responsible for monitoring UNEP implementation of the project and the UNEP line manager (the whistleblower) for the project, but left the UNEP director responsible for the allegedly inappropriate budget allocations in place. Donor oversight was then transferred to the Nairobi donor embassy from the home capital, which proved to be much more effective.

Very senior management at UNEP became aware of the donor's concerns about how funds were being spent as, apart from donor expressions of concern, the 'corridor' talk at UNEP was rife with discussion about the inappropriate use of funds. However, no evidence could be found that suggested that action was taken to address these issues by very senior UNEP management. These and other management issues are discussed under the management section.

In summary, with respect to budget issues, the budget total was inadequate and a higher proportion needed to be allocated to PEI country projects to align the budget with the desired outcome and country-level realities. In addition, the budget was poorly managed, with allegations of inappropriate expenditures and strong concerns expressed by the donor. These budgetary issues suggest that a mix of development aid design and organisational culture factors were relevant.

5.7   Management and Co-ordination

5.7.1   Description

The ProDoc did not include a specific section on management or co-ordination arrangements, but the document included a section on implementation that contained some management and co-ordination directives..

The project was managed from UNEP HQ through environment ministries at the country level (in all but one case), based on MOUs signed with the relevant UNDP country offices. The ProDoc stated that three programme officers, including the project co-ordinator, would

be responsible for carrying out the project, supported by an administration/fund management officer, all based at UNEP HQ. The director of the division within which the P&EP was based was responsible for overall management of the project, although this was not stated in the ProDoc.

5.7.2   *Comment and Assessment*

The management arrangements were inadequate as it is standard development aid practice to clearly set out management arrangements at all levels of project implementation, but this did not occur at either the ProDoc or country level. For example, the ProDoc states "the implementation of activities outlined in the project will be carried out by way of MOUs with the UNDP country offices in each of the seven countries and in close collaboration with the Ministries of Environment" (p14, UNEP P&EP, 2004). This leaves unclear the management structure of the P&EP country projects; for example, what will be the respective roles of UNDP and the ministries of environment?   While subsequent MOUs for country-level P&EP projects set out implementation modalities, it is not clear where management responsibility for project implementation lies in the MOUs. For example, the Mauritania P&EP MOU refers to project co-ordination being carried out by three different government offices, with the Director of Environment serving as the focal point for the project. Further, it indicates that a national expert will be hired to ensure that activities are implemented and reported as required. However, it does not designate an actual manager for the project (UNDP Mauritania, UNEP, Government of Mauritania, 2004).

As indicated above under the section on strategy, UNEP chose ministries of environment to lead the country P&EP projects, when the ministries responsible for national development planning should have been chosen, given that the P&EP was attempting to influence national development plans. Nor was there reference in the ProDoc management-relevant sections to the need for inclusion of key sector ministries.

The respective management roles of UNEP HQ, UNDP HQ, UNDP country offices, or of the governments, was unclear from the ProDoc. As an internal UNEP P&EP paper stated "Who is in charge at country level? Not clear" (p2, UNEP P&EP, 2005). The P&EP management failed to ensure that there was the necessary programmatic partnership with UNDP at the global and country level. This was a major contributing factor in the failure to make adequate progress at a country level, as UNEP is a non-resident agency and does not have national offices to oversee project implementation. Therefore, the role of the UNDP Country Office was a key factor for project success.

The amount of staff resources allocated to implementation and management of the project proved to be seriously inadequate. Initially, one full-time programmatic staff member in

Nairobi was assigned to the project, along with an administration/finance officer and an administration assistant. Later, a donor-funded staff member was provided. At the country level one full- or part-time person was appointed to co-ordinate implementation at the country level. That the staffing arrangements were inadequate is indicated by the Belgian evaluation recommendation that "UNEP senior management should review its staffing … and assess the need to strengthen or increase its administrative or technical resources to meet the challenge of multiyear operational projects at country level" (p24–25, UNEP, 2006). A key reason for the need for more staff were capacity constraints at the country level, which reflected not just general, but poverty-environment mainstreaming specific capacity constraints; poverty-environment mainstreaming was a new task that governments had very little or no experience of prior to the UNDP PEI and UNEP P&EP. While the ProDoc recognised the risk posed by capacity constraints at the country level, it did not suggest solutions, such as the option of appointing international technical advisors at the country level.

After restructuring, a five– six person technical PEI Africa team was established in Nairobi with an additional two administrative assistants. In addition, an in-country team of three full-time PEI staff per country became the preferred norm, consisting of a national project manager, an international technical advisor and an administrative-finance assistant. This regional and national staff structure proved to be successful, as documented in the Norwegian evaluation (Bass and Renard, 2009).

In addition to the ProDoc not setting out adequate management arrangements, management oversight of ProDoc implementation was also inadequate. When problems appeared with project implementation, the responsible UNEP director did not address them and it was only following donor intervention, threat of a funding freeze and a formal complaint to UNEP that the director took some action, as evidenced in e-mail traffic between UNEP and the Norwegian embassy (UNEP P&EP, 2005a).

That senior UNEP management did not take any action until donors intervened, even when it was well known that there were major problems with the P&EP, reflects organisational culture issues, including a reluctance to deal with difficult issues. This is consistent with a 'don't rock the boat' organisational culture and an insufficiently results-based culture. It may also reflect the existence of a powerful sub-culture within the organisation, which was prepared to tolerate such behaviour even if other sub-cultures were not. If supported by other examples, it also suggests failings in the mechanisms the UN has set up to investigate and address financial and management problems, including allegations of corruption.

In summary, management arrangements failed to ensure adequate design, implementation and oversight of the project at different levels within UNEP, which led to inadequate implementation progress. The management failure also led to a serious breakdown in trust between the major donor and with UNDP.

5.8 Risk Assessment

5.8.1 Description

Risks identified in the ProDoc included failing to secure the necessary high-level support or buy-in from all major stakeholders, noting that a participatory process was necessary. Further, inadequate capacity at the country level was seen as a risk. The final risk identified was that of not securing the necessary co-operation with relevant country-based UN agencies and the World Bank.

5.8.2 Comment and Assessment

The key risks identified were valid. But, not all risks or actions to mitigate them were identified and included in the ProDoc. For example, the need for (1) substantive engagement with planning ministries; (2) long-term engagement at the country level, and (3) and implementation of national-level poverty-environment objectives to gain sustained impact, were not included in the ProDoc.

In addition, almost none of the actions referred to in the ProDoc to avoid or mitigate the risks was taken. For example, the referenced "buy-in and acceptance of all major stakeholders" was not obtained due to the top-down nature PEI project development, as documented in the Belgian evaluation (UNEP, 2006). With regard to the potential to build capacity, study of the budget does not indicate any provision for such capacity building. Thus, when extra support for capacity building for application of the IEA methodology was requested for additional training courses, funds were not available (UNDP-UNEP PEI Africa staff member pers comm., 2006). The option of appointing international technical advisors to mitigate risks arising from inadequate capacity was not mentioned, despite UNDP PEI having already appointed ITAs in Kenya and Tanzania.

5.9 Monitoring and Evaluation

5.9.1 Description

The standard UNEP monitoring and evaluation procedures applied to this project, requiring regular financial and progress reports plus a terminal report. UNEP did not require a specific monitoring and evaluation section in the ProDoc; instead, the document included a section on reporting, accounting and auditing. In addition, the Belgian-funded component was

subject to a midterm evaluation as part of the broader evaluation required by the Belgian Partnership agreement. A final project evaluation was also provided for.

5.9.2 *Comment and Assessment*

The main problem with the M&E was that the standard UNEP M&E framework focused on financial reporting and audit and not on measuring results. There was one reference to progress reports and the outputs, activities and work-plan enabling progress to be measured, but the log-frame did not contain any indicators against which progress in achieving results could be measured. The M&E framework was criticised as inadequate by the two donors, which also reflected general concerns about the UNEP M&E framework. The Belgian evaluation noted: "There is no overall up-to-date document that provides a logical structure for future monitoring and evaluation of the Belgium Partnership programme…." (p22, UNEP, 2006). Consequently, at the request of the main donor Norway, UNEP provided far more detailed reports than those required by UNEP rules. There reports were presented at annual review meetings with Norway (UNDP, UNEP PEI Africa, Government of Norway, 2006, 2006a, 2007, 2008).

Other evidence of the inadequacy of the monitoring and evaluation (M&E) framework is that UNEP failed to respond to problems when they appeared, even though such response is a key part of an M&E system, i.e. learning and adapting (UNDP, 2009). As noted above, it took interventions by donors before UNEP started to address problems.

5.10   Overall Effectiveness

Table 5.2   Project Effectiveness Criteria Indicator Scores

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project.	▪ 1
	2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results	▪ 1
	3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.	▪ 1
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design). 5. Strategy consistent with problem	• 1

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	statement & key national processes linked to the drivers of the problem 6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme management & oversight structures. 7. Programme/Project is integrated into relevant Government or regional processes & institutional mechanisms. 8. Strategy is consistent with EDP good practice. E.g. as contained in relevant UN EDP guidelines. 9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	• 1 • 1 • 1 • 1 • 1 • 1
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	• 2
Outputs & Activities	11. Outputs included are short-term environment & development results to be produced within the project timeframe & budget and are consistent with the outcome. 12. Activities describe actions needed to obtain the stated outputs & are consistent with the Outputs that need to be produced.	• 1 • 1
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	▪ 1
Budget	14. Budget sufficient to pay for activities & outputs. 15. Budget is broken down by activities and/or outputs	▪ 1 ▪ 1
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination between different components & implementing agencies. 17. Ministries of Planning/Finance lead or co-lead the process. 18. Government steering and/technical committee chaired by lead ministry	• 1 • 1 • 1

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	responsible for programme/project. 19. Reflect capacity of Government & other partners.	• 1
Risk Assessment	20. Risks to achievement of desired outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	▪ 1
Monitoring & Evaluation	21. Results based (rather than activity or output focused) quarterly & annual monitoring included 22. Progress reports are responded to with remedial actions implemented, documented and reported against.	▪ 1 • 1

Table 5.3   Evaluation Criteria Summary Scores

Criteria	Score
Situational Analysis	▪ 1
Strategy	• 1
Outcome	• 2
Outputs & Activities	• 1
Work plan	▪ 1
Budget	▪ 1
Management & Co-ordination Arrangements	• 1
Risk Assessment	▪ 1
Monitoring & Evaluation	▪ 1

Overall effectiveness: Poor

Consistent with the 'Poor' scores for all but one of the criteria, by the end of Case Study 1 the UNEP Poverty and Environment Project had run into serious problems, with no significant progress in achieving the desired outcome at the country level. The main donor was considering freezing funding, with UNDP and their main donor (DFID) expressing substantive concerns about the UNEP project, with two other governments expressing concern and internal issues within UNEP all combining to threaten the viability of the project. Evidence that these problems were identified and analysed in some depth by UNEP exists from early 2005 in internal papers (UNEP P&EP, 2005) and in reports and minutes of project review meetings with Norway (UNDP, UNEP PEI Africa, Government of Norway,

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2006, 2006a, 2007, 2008). Further, these problems were documented in the Belgian and Norwegian evaluations. Collectively, these problems led to the P&EP being restructured, as documented in Case Study 2. These problems indicate a range of project design and implementation issues, plus organisational culture, as being prime causes. Another major factor appears to be that the complexity of addressing EDPs was not understood or reflected in the ProDoc.

The technical problems of inadequate project design reflected that the staff designing the UNEP P&EP project did not have adequate experience designing country level operational projects. For example, the Belgian evaluation referred to the "challenges faced by the relevant UNEP branches in preparing operational style country level activities" (p22, UNEP, 2006). Nor were the relevant UNEP staff experienced in Results-Based Management (RBM). Further, the complexity of addressing EDPs was not understood, contributing to the inadequate project design.

But it was not just UNEP project staff that lacked operational country level and RBM experience. That the UNEP Project Approval Group (PAG) approved the project as it stood was indicative of a broader lack of RBM Systems and of operational country-level experience within UNEP, consistent with UNEP's role as primarily a normative organisation. The usual pattern of UNEP's normative work is to develop or promote the use of concepts or approaches to environment assessment, policy, law and management, often producing guidelines or similar material and applying them in a regional or subregional manner using workshops and training courses attended by representatives of different countries. Detailed country-level engagement almost never occurs in such a pattern.

The lack of RBM systems and experience within UNEP was a development aid practice problem and an organisational culture problem across the agency. For example, as late as 2011 UNEP was being criticised by key donors for a lack of RBM systems and culture. Comparison of the UNDP and UNEP programming manuals indicates the gap in RBM systems between the two agencies. Given that UNDP is still working to develop an RBM culture, with years more experience with RBM systems, it is not surprising that UNEP has further to go in this regard.

The inappropriate management of the P&EP, including the inappropriate use of funds, was a major problem that was compounded by senior management passivity in addressing such issues. Such problems are less likely to occur if a strong RBM culture exists, since these issues are a major threat to the achievement of results. Further, the passivity of the relevant senior management could indicate the presence of a counter-productive level of sub-cultures with UNEP. The director responsible for the inappropriate design and management of the

P&EP was a very powerful figure within the agency, while the manager above him, who in theory should have been first in line to address the problems, was not part of the same internal bureaucratic power elite subculture. Thus it would have been risky in bureaucratic power terms for this manager to challenge the UNEP P&EP director. Yet the organisation as a whole suffered a major credibility issue from this failure to act, as evidenced by threats by Norway to freeze funding. This failure could be classed as a lack of managerial courage (Horstein, 1986).

The failure to apply key explicitly stated commitments in the ProDoc, for example the ESCAPE methodology and the partnership approach with UNDP and others, was seen as indicative of a lack of transparency in UNEP by donors (Government of Norway official pers comm., 2005) and such a lack also falls under the organisational culture category.

An additional organisational culture characteristic revealed was a lack of internal learning. Despite the obvious and substantive problems with the P&EP, adaptation did not occur until pressure was applied from the outside from donors and countries to address the problems. Case Study 2 will demonstrate how UNEP attempted to address the problems, which provides key lessons for how the UN can successfully address EDPs.

6 CASE STUDY 2: THE UNDP-UNEP POVERTY-ENVIRONMENT INITIATIVE AFRICA (PEI AFRICA)

6.0 Introduction

As indicated at the end of the previous case study, the UN Environment Programme Poverty and Environment Project (UNEP P&EP), was essentially failing; as a result, a major restructuring of the project was undertaken, which led to its transformation into the UN Development Programme-UN Environment Programme Poverty-Environment Initiative (UNDP-UNEP PEI) Africa project, referred to as PEI Africa. The transformation required a number of steps: 1) Internal analysis of the problems with the project (UNEP P&EP, 2005); 2) Conducting a workshop with all the PEI Africa countries (UNEP P&EP, 2005b) to agree on a revised way forward; 3) The move from UNEP P&EP country MOUs into comprehensive Government-UNDP Country Office-PEI Africa country ProDocs in each PEI country over the 2006-2007 period; 4) The formal launching of the joint UNDP-UNEP PEI Africa in September 2005; and 5) Formal changes to the project log-frame by mid 2006. (A question arises as to why the entire ProDoc was not formally restructured; this is explained by concerns that this would take too much time (UNEP P&EP, 2005)).

A feature of this restructuring from the beginning was the increasingly substantive reporting on lessons learnt (UNDP-UNEP PEI Africa, Government of Norway, 2006, 2006a, 2007, 2008), which were then incorporated in the UNDP-UNEP PEI Scale-up proposal accepted by donors. This programme is described in Case Study 4 (UNDP-UNEP PEI, 2007, 2007a), and its strong endorsement by donors was concrete evidence that PEI Africa was judged to be a success.

Documentation such as the Belgian evaluation (UNEP, 2006), plus discussions at UNEP and the participating countries, demonstrate that the restructuring exercise was a fraught one, with issues within UNEP, with governments, UNDP country offices and with the international institutes. This difficult process was characterised by high transactions costs, frustrations and delays, as described below. Restructuring required a sustained effort lasting more than 18 months and was not uniformly successful over all seven PEI Africa countries.

Compared with Case Study 1, while the role of UNEP was still key, UNDP Country Offices and UNDP HQ also became important players. The UN continued to provide 100% of the financial resources for all but one PEI country project (Tanzania), with UN funds sourced from a broadening range of donors and including substantive commitments from some UNDP country offices. UNEP and UNDP jointly drove the creation of the joint UNDP-UNEP PEI, which also resulted in increased contributions from donors. For example, new commitments from Irish Aid and additional funding from Belgium were specifically

provided on the basis that the formerly separate UNEP P&EP and UNDP PEI had become a fully joint programme.

<u>Description, Comment and Assessment of the Case Study</u>

Note that the comment and assessment sections below will refer to both the design and implementation of the different elements.

6.1   Situational Analysis

6.1.1   Description

As noted in the Case Study 1 analysis, no formal written situational analysis section was included in the ProDoc, and while elements of a situational analysis were included in some other sections, they did not adequately identify the problem or its causes. At the country level, all new PEI projects contained a 'Situational Analysis' section, although these were of varying quality.

A key element of a situational analysis is the appropriate identification of the problems and their underlying causes. The problems indicated by the restructured logframe were:

1. A lack of understanding of how environmental sustainability is linked to poverty reduction.
2. Insufficient capacity to (i) identify linkages between sustainability and national development priorities including poverty reduction and (ii) to include such linkages in national development planning processes, such as poverty reduction strategy papers (PRSPs).
3. Insufficient inclusion of environmental sustainability in national development processes.
4. Insufficient sharing of experiences and knowledge between countries.
5. A lack of written guidance on how to mainstream environment into national development processes (p1–2, UNEP P&EP, 2006).

There was no evidence that a coherent general analysis of higher-level policy and institutional factors was carried out as part of the restructuring, although some analysis of higher-level policy and institutional factors occurred in some PEI Africa countries.

6.1.2   Comment and Assessment

This restructured logframe provided evidence that the problem was better, but still not fully, understood. For example, the logframe did not contain specific references to the need to focus on PEI-relevant sectors, such as agriculture. However, there is evidence that the problem and its causes became increasingly better understood by PEI Africa as project implementation continued. For example, later briefing notes and power-point presentations referred to the need to target sectors as well as Poverty Reduction Strategy Papers (PRSPs) (UNDP-UNEP PEI Africa 2008). Reports to Norway progressively demonstrated a better

understanding of the problems, their causes and how to address them (UNDP-UNEP PEI-Africa, Government of Norway, 2006, 2006a, 2007, 2008). However, it would have been preferable to prepare documentation outlining the problem statement, objectives and expected results early in the restructuring process.

While some analysis of higher-level policy and institutional factors was carried out as part of the development of the new PEI Africa projects at the country level, the quality was generally inadequate. For example, the PEI Rwanda situational analysis did not include adequate information on relevant policies and institutional structures, or on the key Environment-Development Problem (EDP) relevant sectors, compared with the later PEI Tajikistan ProDoc (UNDP Rwanda, UNEP, Government of Rwanda, 2005; UNDP Tajikistan, UNEP, Government of Tajikistan, 2010).

6.2   Strategy

6.2.1   Description

The strategy changed significantly following the commencement of restructuring, with a shift to country-based project development and implementation from the earlier UNEP HQ-driven project development. UNDP country offices became critical partners in the design and implementation of PEI country projects, which ultimately evolved into joint Government-UNDP Country Office-PEI Africa projects. In addition to being joint projects, study of new country PEI ProDocs indicates a highly participatory approach to the development and implementation of these documents, with inter-ministry-UNDP Country Office-PEI Africa teams jointly developing PEI country programmes. Further, government-chaired steering and technical committees led implementation and management. The more comprehensive country PEI work plans, with increased numbers of activities across a range of government ministries, also implies a greater depth of government ownership. Activities were increasingly linked with national PRSP processes—for example, PEI Mauritania activities included integration of poverty-environment linkages in the PRSP and sector strategies (UNDP Mauritania, UNEP, Government of Mauritania, 2007).

The strategy in the new or restructured PEI country ProDocs placed progressively less emphasis on integrated ecosystem assessments (IEA) and more on conventional economic assessments of the costs of environmental unsustainability and other economic tools. For example, Public Environmental Expenditure Reviews (PEER) became standard practice. Further, deep engagement with existing national development planning processes became standard.

The lead ministries for PEI country programme implementation continued to be the environment ministries except in Kenya, where UNDP PEI ensured that the planning

ministry led from the beginning. However, increased emphasis was placed on working with ministries of finance or planning, which are responsible for the national development planning processes into which the PEI was attempting to integrate environmental sustainability. The use of the international institutes to support implementation was phased out, following unsuccessful attempts to align institute support with country needs.

The increasingly successful co-operation between UNEP P&EP and the UNDP PEI led to their formal merger into the UNDP-UNEP Poverty and Environment Initiative. This joint programme was launched at the "Environment for the MDGs" event at the World Summit in September 2005 in New York by the heads of UNDP and UNEP, with strong support from donor governments. While the co-operation improved due to donor pressure, there was no pressure to formally merge the two programmes— rather the decision to merge was internally driven by key UNEP and UNDP PEI staff who indicated later that this was the logical thing to do (UN Official, pers comm., 2005). The PEI was established with joint programming, management, budgeting and staff recruitment and after it had been in operation for some months, it became recognised as the leading example of UNDP-UNEP co-operation. For example, it is specifically referenced in the UNDP-UNEP Memorandum of Understanding (MOU) (UNDP-UNEP, 2008). Until the joint programme was scaled up into a global programme in 2008, the UNDP-UNEP PEI consisted of PEI Africa.

6.2.2   Comment and Assessment

Restructuring the PEI Africa to adopt a fully participatory approach to PEI country programme design was consistent with good development aid practice and addressed a number of the concerns contained in the Belgian evaluation (UNEP, 2006). But restructuring existing country PEI projects was a drawn-out process, as the Belgian evaluation also indicates. For country programmes that were already underway, restructuring was particularly complicated, as activities at the country level had already been identified and agreed to in writing via MOUs in a number of countries. Thus, the approach was to restructure in phases as MOUs expired or were reviewed.

Study of the new and revised PEI country ProDocs indicates that these were progressively better targeted to the problems and their solutions. For example, programmes focused on working within the national development planning processes and using economic evidence to achieve better integration of environmental sustainability objectives into the Poverty Reduction Strategy Papers (PRSP) or their equivalent.

However, there was insufficient focus on improving the integration of environmental sustainability into key sectors such as agriculture in the earlier stages of the restructured PEI Africa, even though internal analysis in early 2005 recognised the importance of this

approach (UNEP P&EP, 2005). A reason for focusing on sectors from the early stages of PEI country projects is that planning and finance do not actually implement PRSPs—rather, sectors are responsible for implementing PRSP priorities through their plans and budgets. Another reason why sectors need to be substantively involved in PEI country programmes is that activities in key sectors such as agriculture are responsible for the majority of impacts on the environment and are also key to the achievement of national development goals such as poverty reduction. Finally, PRSPs are developed through working groups and these are usually based around sectors, such as agriculture and energy. If these sector working groups are not convinced that environmental and natural resource (ENR) sustainability objectives should be included in the PRSP, then it is even more difficult to achieve this goal.

Additionally, there was insufficient focus on the poverty side of poverty-environment mainstreaming, as indicated by the Norwegian evaluation of PEI Africa (Bass and Renard, 2009). Two reasons for inadequate focus on the poverty side were that PEI Africa staff members were all from UNEP and that the UNDP staff responsible for the PEI were from the Environment and Energy Group rather than from the UNDP Poverty Practice.

Not being able to change the lead agency to planning or finance in the existing PEI countries caused continuing problems in most PEI Africa programmes. This is because for the PEI to succeed, it must achieve the integration of pro-poor environmentally sustainable natural resource use into national and sector development processes and budgets and these development processes are led by ministries of planning or finance. Without planning or finance leadership, it was much harder for PEI to succeed.

In some countries convincing the environment agency to agree to the planning or finance ministry becoming a sufficiently active partner in the PEI programme was a drawn-out and wearying process. In the case of one country it failed. In another country it was only after a PEI Africa evaluation and advice that the programme could not continue unless there were substantive changes that the environment ministry agreed to working closely with the planning ministry (Forbes, 2009).

The decision to make the national environment agency the lead agency for the PEI country programme was arguably the single most serious design flaw in the original UNEP Poverty and Environment Project. After this mistake was recognised, it was found to be bureaucratically and politically unrealistic to change the lead agency to the finance or planning ministries. For example, despite serious issues with the Ministry of Environment impacting on PEI Mauritania delivery, an assessment of the problems warned that moving the lead from the Ministry of Environment would result in the environment ministry losing

all interest in the PEI (Renard, 2012). Rather, joint leadership by environment and planning become the successful alternative.

A key reason why the necessary level of country ownership within some environment agencies for PEI was often difficult to build and why environment agencies were reluctant to work comprehensively with national planning and sector ministries was that these environment agencies wanted a more traditional environment-support programme. Evidence for this was seen in the tendency of environment ministries to seek to allocate a substantial amount of PEI financial resources to funding short-term environmental projects like tree planting, rather than longer-term policy reform. In the case of one country the pressure from the environment agency to allocate hundreds of thousands of dollars to specific projects like tree planting was intense, including reports of the head of the environment agency shouting at PEI Africa staff (UN official pers comm., 2009). This demonstrated a shorter-term, non-strategic focus on the part of some environment agencies. Some officials acknowledged verbally that in the longer term the PEI approach of convincing planning, finance, key sectors and donors that environmental sustainability would help achieve development goals would be more effective in addressing environmental problems. However, they pointed to the very low funding levels in environment agencies, which promoted a 'get project funding now' approach.

Donor-funded, smaller and more concrete projects run by environment agencies are attractive, because there is more of an opportunity to bring some quick results, at least in terms of addressing symptoms of poor environmental sustainability, plus more opportunity to raise the public profile of the environment agency. Additionally, projects with on-the-ground activities designed and administered by environment agencies can generate fees, purchase of a vehicle and workshops that bring *per diem* allowances. PEI Africa repeatedly experienced cases where environment agencies would prefer a small US$50,000 short-term project with substantive opportunity for payment of individual staff allowances, such as pilot projects. For example, the environment agency in one PEI country had a budget from PEI of US$250,000 for the preparation of a State of the Environment report and the draft budget they submitted included over 40% of the total allocated to per diems, travel allowances and other staff allowances. This was despite earlier discussions that made it clear that such a budget would be unacceptable. The draft budget was not accepted, but a great deal of time was spent in negotiating a revised budget breakdown.

The lesson that planning ministries are more appropriate leaders of PEI programmes is reflected in later PEI Africa presentations, reports to donors and evaluations. These highlight the need to focus on planning/finance ministries and processes, as it is not environment ministries that design policies that damage the environment, but decisions made in planning,

finance and key sectors (Bass and Renard, 2009,UNDP-UNEP PEI Africa, 2008). In all the new PEI Africa countries started after the PEI Scale-up, planning ministries led or co-led the PEI country programmes.

While it became a core component of all PEI Africa programmes to work jointly with and through the UNDP Country Office, capacity issues in some cases led to long delays in completing programmatic and administrative procedures, including the processing of payments. UNDP country offices were charged with providing political, programmatic and moral support, in addition to managing logistical, administrative and financial approvals and disbursements for the PEI country programmes. While programme technical advisory support was largely provided by PEI staff in-country and from the PEI Africa team in Nairobi, UNDP country offices had critical roles in operational (i.e. finance and administrative) implementation and monitoring of PEI country programmes. Key roles filled by UNDP country offices included selecting consultants, issuing contracts, processing payments and reporting on progress on a quarterly basis.

In some cases, co-operation with UNDP country offices became a model for inter-agency co-operation. However, in a number of cases the co-operation with the UNDP Country Offices (COs) was deeply problematical, due to serious delays in processing the necessary administrative and financial approvals. In many cases, it took more than three months to complete administrative procedures that should have taken no more than one month. Despite repeated expressions of concern at country and UNDP and UNEP HQ levels, no solution was found to this problem (Steiner, 2008), mainly because the problems were not PEI Africa-specific, but reflected broad UNDP administrative and financial systems issues. The failure to satisfactorily resolve problems with some UNDP COs caused delays and is referred to in the NORAD evaluation of PEI Africa (Bass and Renard, 2009). The reasons for unsatisfactory support from UNDP country offices included:

- Insufficient administrative and financial capacity
- Insufficient resources in terms of the great demands placed on UNDP COs
- A focus on environment projects that generated revenue for the CO—mainly Global Environmental Facility (GEF) projects—rather than a focus on environmental mainstreaming
- Hesitancy in seeing a UNEP HQ and UNDP HQ-driven programme as a priority.

The PEI was embedded in UNDP's Environment and Energy Group (EEG), Bureau of Development Policy (BDP), whereas country offices fall under the relevant UNDP Regional Bureaux (RBX), in this case the Regional Bureau for Africa. Management and funding lines of BDP and the RBX are separate, with different approval procedures. For example, UNDP

COs can approve expenditure up to $100,000 without approval of the UNDP HQ in New York, yet BDP approval limits are $30,000. Such differences in financial approval procedures caused friction and additional transactions costs.

As indicated above and in the first Case Study, the original project strategy included substantive support from four international institutes, designed in advance of country PEI country programmes and without consultation with these countries. Thus, one of the key goals of the restructuring was an attempt to align the support from the international institutions to the needs of the countries. Strenuous efforts to accomplish this realignment largely failed, reflected the basic flaw in a 'top-down' approach to restructuring and highlighted the need for clients (the countries) to be fully consulted before making agreements with third parties for support and participation.

Country programmatic ownership across the seven PEI Africa countries improved during the restructuring of PEI, thanks to the steps outlined above, but it continued to be uneven. (By programmatic ownership is meant active support for the implementation of the project or programme.) This reflected a basic flaw of the P&EP in that it originally selected countries without determining whether or not the conditions, including required country ownership at different levels, were present for a successful PEI country programme. The Belgian evaluation identified this oversight as a major issue (UNEP, 2006).

A valid question is whether the PEI Africa team should have carried out a more detailed assessment of country ownership at the beginning of the restructuring phase, before deciding to proceed with the project in all the existing PEI Africa countries. The great efforts that had to be made and the variable results suggest it would have been more cost effective to carry out such an assessment and to end existing PEI programmes in countries that rated poorly.

Another factor that became very clear as PEI country programme implementation proceeded is that a key component of country ownership is the motivation of the key government officials who are vital to the success of such a programme. Without motivated commitment to a PEI country programme, success is difficult to achieve. Of course this applies to most development projects, but in the case of a complicated policy programme like the PEI Africa it is more of an issue because its success depends on changing government priorities and requires substantive, ongoing work on the part of government officials from an array of ministries. In contrast, building a road with donor finances is consistent with existing priorities and is carried out by hired contractors. As noted above, most officials in the PEI Africa countries are paid very low salaries when their responsibilities and qualifications are considered. It is simply unrealistic to expect these underpaid officials who have children to educate, health bills to pay and a desire for a vehicle to be sufficiently committed to UN or

donor supported programmes that create a great deal of extra work for them, unless there is something for them to gain individually. This is still broadly true even for a project that is well designed, in a deeply consultative process and is well aligned to country development priorities.

While 'something for them to gain individually' may bring corruption to mind, this is not necessarily the case. Being able to offer specific assistance that will make their individual jobs easier to carry out helps. Agreeing to a reasonable level of meeting and other allowances based on satisfactory delivery of outputs is an example. Providing opportunities for committed officials to attend relevant training courses and conferences in other countries is another. However, such arrangements must be carefully managed, with clear-cut parameters of acceptability. Given the importance of motivation and incentives, including the potential for rent seeking behaviour, it is notable that this issue is not addressed to a significant degree in official UN project design manuals, though it is referred to in some of the academic literature (Paul, 2006).

6.3   Outcome

6.3.1   Description

The objective of the PEI Africa as stated in the ProDoc remained "to increase developing countries' capacity to mainstream environment into their development objective." Note that there is no reference to poverty reduction. However, PEI documentation indicates that the outcome and desired results were informally progressively enhanced and increasingly reflected in PEI country ProDocs:

Supporting governments to:

- Integrate Pro-Poor Environmental Sustainability into National Development Processes (e.g. PRSPs & MDG Plans) so that development is not undermined by the unsustainable use of natural resources.

- Build National Capacity to:
  o Identify links between poverty & environment.
  o Integrate pro-poor environmental sustainability into national development processes (p3, UNDP-UNEP PEI Africa, 2012a).

The overall indicators of success identified and used were developed as follows:

Pro-poor environmentally sustainable natural resource use is included as objective/outcome etc in national & sector development plans.
  o There are indicators attached to these objectives/outcomes.
  o These indicators are included in the M & E plan, data collected & reported on over time.

- Sector Plans are developed & Budgets are allocated to achieve the objectives.

- Budgets in sectors – not just environment ministries – are allocated to achieve sustainable natural resource use.

- Increased donors support.
- Longer term capacity building programme for the environment and natural resources sector is put in place (p4, UNDP-UNEP PEI Africa, 2012)

6.3.2 Comment and Assessment

It would have been consistent with good development aid practice to formally modify the outcome and indicators at the beginning of the restructuring process to focus on integrating pro-poor environmentally sustainable natural resource use into national- and sector-development plans so as to reflect the actual focus of country PEI programmes.

6.4 Outputs and Activities

6.4.1 Description

Very substantive restructuring occurred, with the reduction from 18 to 5 sets of outcomes and associated activities and outputs, with outputs focusing most strongly on the national level with some references to the sub-national level. These five sets were:

1. Improving the understanding of the linkages between poverty reduction and environmental sustainability;
2. Enhancing national capacity to identify poverty-environment linkages and include them in national development plans;
3. Improving inclusion and implementation of poverty-environment linkages in national development plans;
4. Improving development and implementation of country PEI projects; and
5. Improving understanding and inclusion of poverty-environment linkages by UNEP, UNDP and the broader donor community (p1, UNEP P&EP, 2006).

Most importantly, country ProDocs had their own more detailed logframes constructed within the UNDP Results-Based Management (RBM) framework

6.4.2 Comment and Assessment

The modified PEI Africa logframe contained most of the essential elements necessary for successful country PEI programmes. However, a weakness was the lack of specific reference to sectors focusing on poverty-environment mainstreaming. This omission is difficult to explain, given that P&EP internal analysis and lesson learning both refer to the importance of sectors and the need to focus on them (UNEP P&EP, 2005; UNDP-UNEP PEI Africa, Government of Norway, 2006). The lack of adequate indicators of achievement was another gap, but this reflected the design of the UNEP logframe, which did not include a requirement for indicators at that time, whereas UNDP logframes did include these assessment tools.

Table 6.2 provides project delivery outputs and results from the 2008 PEI Africa Report to Norway (p5, UNDP-UNEP PEI Africa, Government of Norway, 2008).

Table 6.1: Project Delivery of Outputs and Results

OUTPUT/RESULT	DELIVERED
1	Y
2	Y
3	PARTLY - Varies by country
4	Y
5	Y

6.5 Work plan

6.5.1 Description

Following restructuring, the detailed overall UNEP Poverty and Environment project work plan was superseded by individual PEI country work plans, contained in individual country ProDocs.

6.5.2 Comment and Assessment

That the P&EP overall project HQ-developed work plan used in Case Study 1 was superseded by individual country PEI programme work plans developed and implemented in-country was a major improvement. These PEI country programme work plans were detailed, reflected country priorities and processes and were developed in a fully collaborative manner.

The design of PEI country work plans took far longer than first anticipated in all countries. It was found that a minimum of six months was needed and in one case over one year. This reflected the level of consultation required at the country level to ensure country ownership, as well as the complexity of what the PEI was trying to achieve. In addition, some government project development and approval procedures were very time consuming. The long start-up time also reflected government and UNDP country office capacity gaps for poverty-environment mainstreaming.

6.6 Budget

6.6.1 Description

The original total budget of US$8.760m underwent a series of revisions. The first was the deduction of US$2.0m funds that Norway did not provide. Subsequently, unspent funds totalling US$0.920m were added from another Belgian-funded project and US$0.728m of unspent funds from earlier Norwegian support, providing a total of US$7.99m in cash. The total budget rose to US$14.476m with additional contributions, mainly from Ireland.

Following restructuring, a much higher proportion of the budget was allocated to country projects, up from less than 50% to more than 70%. The later country project budgets were for US$2.0m plus, not including contributions from UNDP country offices, which in most cases provided US$200,000– US$300,000 per year.

In the earlier stage of restructuring, UNEP budget and project approval rules required the preparation and approval of both a UNEP ProDoc and a separate UNDP ProDoc at UNEP and the UNDP country offices. But following repeated requests and considerable negotiation, UNEP agreed to accept the UNDP format, meaning that only one project document had to be prepared and approved.

6.6.2   Comment and Assessment

The increased budget for PEI Africa was a critical improvement and enabled the design and implementation of appropriate country projects. In addition, the restructuring of the PEI Africa budget led to a much greater alignment of the budget and delivery of outputs that was necessary for successful achievement of the PEI objectives. However, the restructuring could not go as far as was necessary to achieve full results-based budgeting and management due to UNEP financial rules. As noted above, these are set by the UN Secretariat in New York and are incompatible with the UNDP Results-Based Management (RBM) and budget system. At the country level, PEI country ProDocs were drafted in UNDP format and were subject to UNDP budget structures and reporting, which meant that at the country level budget structure and categories were consistent with RBM. However, the regional UNEP based PEI Africa budget was not consistent with RBM.

The incompatibility between the two agencies' budgets and broader financial systems, including budget categories, approval and disbursements rules, caused delays and frustrations that seriously hampered the ability of the two agencies to work together and required time-consuming work-arounds. Agency differences in budget codes and categories further complicated approval financial reporting by UNDP to UNEP, as funds originated in UNEP and were transferred to the UNDP country office.

Following the earlier concerns about the inappropriate use of funds, the major donor, Norway, made it very clear that inappropriate use of funds would not be tolerated. Despite this, there were repeated attempts at inappropriate budgetary allocations by the then UNEP director. All attempts to allocate funds inappropriately ceased immediately a new UNEP director became responsible for the PEI. Overall, budget management and approval became markedly more efficient under the new director, who was very honest, well versed in UNEP financial management and had a very good understanding of the requirements of country-

level operations. That the change in an individual manager could result in such significant improvement is consistent with the lack of a strong RBM focus in the organisation.

In summary, the reorganization involved moving to country-based PEI project development; a budget reallocation that substantially increased the resources available to country PEI programmes; and simplification of ProDoc design and approval processes. Together, these changes resulted in significantly more effective PEI country projects. Additionally, the budget structure and allocations became much more results focused as the UNDP system was increasingly used.

6.7 Management and Co-ordination Arrangements

6.7.1 Description

The management of country PEI projects moved from PEI Africa in Nairobi to PEI countries, with PEI Africa providing management oversight and substantive technical advisory support. At the country level, the PEI teams became more substantial, moving from a part-time co-ordinator to a full-time national project manager, an international technical advisor and an administrative or finance assistant. (This approach was not adopted by all PEI country programmes, but became the preferred model.)

Country steering and technical committees were used, with steering committees providing management oversight and technical committees reviewing progress and outputs, plus approving annual work plans and budgets. The government appointed an appropriately senior-level person in the lead agency as overall PEI country project manager. In addition, as the PEI country project funds were routed through UNDP country offices under the joint Government-UNDP CO-PEI Africa ProDocs, UNDP country offices were formally responsible for reporting on implementation progress and financial matters to PEI Africa in Nairobi.

The PEI Africa regional team in Nairobi was gradually increased from two professionals to eight, with two staff funded by UNEP and six by donors. However, these personnel did not all work full-time on the PEI, so actual staffing amounted to about five-and-a-half full-time equivalents by the end of the period under analysis here. (The build-up was gradual, with staff gaps as some left and were not replaced for a time.) Each PEI country had a regional advisor focal point in the PEI Africa Nairobi team with responsibility for supporting the development, implementation and monitoring of the country programme, under the oversight of the manager of PEI Africa. This regional advisor in Nairobi was, in essence, an extension of the PEI country team, working interactively with this group on a continuing basis. In most cases each country received support equivalent to between one-third and one-half of a full time equivalent.

The original UNEP director continued to head PEI for some months after the restructuring began and during this transitional period a series of management issues hindered programme delivery. A key example was the budget-related issues referred to in section 6.7.

A subsequent management issue making it more difficult to implement PEI Africa was the reputation of the director, which suffered under the weight of allegations of inappropriate use of funds. As a result, his bureaucratic and political power in the organisation declined significantly and it became increasingly difficult to obtain financial and administrative approval for key actions and activities needed for PEI Africa operations—this despite PEI Africa being an officially approved UNEP project.

For example, one of the first requirements once restructuring commenced was to call representatives of all the PEI Africa countries and the international institutes to a workshop in Nairobi to discuss and agree on restructuring steps. Under UNEP procedures at that time, conduct of any such meeting required the approval of the UNEP Executive Director's office. Such approval was exceedingly difficult to obtain, requiring a succession of meetings and increasingly urgent appeals via unofficial and official channels, which was finally granted mere days before the meeting was due to start. During this time the director was not able to make any progress in gaining the approval, his status in the organisation having so diminished. This example is also consistent with an organisational culture that is not results focused and that harbours sub-cultures that diminish effectiveness.

Another example was the difficulty in obtaining approval for PEI Africa staff to travel to the seven PEI Africa countries. Regular travel to the PEI countries was necessary to guide development of work plans, attend in-country approval meetings, monitor progress and, especially, provide technical advisory support. This travel was budgeted within the PEI Africa programme. However, long-standing UNEP rules required that the Executive Director's office approve all travel by any UNEP staff member in advance, including travel funded by other parties. This process required preparation of individual travel requests and approval by the relevant UNEP divisional director and Executive Director's office. As indicated above, a different director was given responsibility for PEI Africa following internal UNEP restructuring. This ushered in a dramatic improvement in the management of the PEI, including ending the frustrating issues with programmatic, financial and administrative approvals. The change also improved co-operation with UNDP. These changes reflected the ability and willingness of the new director to gain and fight for approvals and to back up staff under her direction. (Later, in 2008, travel approval procedures were delegated to divisions, thus ending this particular problem.)

Apart from substantive changes to management structures, particularly at the country level, management modalities in the PEI Africa team evolved to become much more consistent with RBM, including a proactive approach to management, monitoring and the provision of enhanced technical advisory support to the countries. This was demonstrated by the increased number of technical advisory support missions and substantive comments on draft Terms of References (TORs) for activities at the country level, as well as substantive comments on draft reports produced by the PEI country teams and an active review-learn-adapt cycle. Norway commented on the energy and transparency that the PEI Africa team demonstrated in carrying out their role (Norwegian Government official, pers comm., 2009), and the International Institute for Environment and Development (IIED) commented on the openness of the PEI Africa team in identifying and discussing problem areas (IIED official, pers comm., 2008).

6.7.2   Comment and Assessment

The management restructuring to give government and UNDP country offices the lead role in the PEI country programmes was entirely consistent with good development aid practice, including RBM. Moreover, in moving to joint Government-UNDP-PEI Africa ProDocs using the UNDP format, project implementation was monitored through UNDP's RBM-based reporting systems. The UNDP ProDoc format also assigned responsibility for each activity so that accountability was applied at activity and output level, not just at the overall ProDoc level.

However, not being able to change the lead agency for PEI country projects from the environment agency to the planning ministries, as referred to in the strategy section, was most unfortunate and continued to cause problems. PEI Africa put in a great deal of effort to get ministries of planning much more involved through convincing them to take the lead on relevant PEI country project activities, adopt a higher management role in the PEI and jointly lead restructured or new PEI country projects. These efforts were not fully successful, as documented in reports to donors and poverty-environment mainstreaming guidelines, which highlight the need for planning to lead from the beginning (UNDP-UNEP PEI, 2009). The Norwegian evaluation also emphasized the importance of working with planning ministries (Bass and Renard, 2009).

The government-led steering and technical committees provided the necessary level of government management input, but largely due to being led by environment agencies, PEI Africa and the UNDP CO had to provide continuing substantive input in order to address their tendency to support more conventional environmental activities, rather than to focus on poverty-environment mainstreaming. Also, there was no change to the overall UNEP management approval rules, so that the PEI Africa manager had to obtain all financial

approvals from the director responsible for the PEI. (UN directors hold the equivalent of ambassadorial rank.) In comparison, UNDP officials have much more delegated authority.

The problems with the original director responsible for the PEI were also discussed in Case Study 1. In terms of organisational culture these issues and the inaction of top management in addressing them suggest an organisational culture of 'don't rock the boat' and the existence of powerful sub-cultures within the organisation, which competed rather than focusing on organisational results (Schein, 1990). This passivity is consistent with the UN's diplomatic, consensus-based decision-making procedures and culture, but inconsistent with RBM.

In terms of national cultures and potential influence on management, members of the PEI Africa team represented many different nationalities, including Benin, Malawi, Kenya, Mauritania, Norway, Cape Verde, Denmark, Finland, Belgium and the Netherlands. (Most staff in the PEI Africa were paid for by donors, resulting in a heavy representation from donor countries). In addition, the composition of the team altered over time. Within the team the operational characteristics of people from the different countries were broadly consistent with the cultural characteristics identified by Trompenaars, Hofstede and others. Sometimes, these cultural characteristics led to tensions between staff, for example, the different working styles of a Nordic female and a Francophone West African male led to intra-team tension.

6.8 Risk Assessment

6.8.1 Description

Risks remained unchanged by the restructuring in the ProDoc. However, risks were identified at the PEI country ProDoc level.

6.8.2 Comment and Assessment

It would have been preferable that PEI Africa conducted a formal risk assessment before restructuring began for the overall ProDoc. This would also have provided useful guidance for preparing risk assessments for the PEI country ProDocs. The more proactive management modality of PEI Africa staff was not formally described as a mechanism for reducing risk, but in effect it appears to have done so.

6.9 Monitoring and Evaluation

6.9.1 Description

With the move to PEI country, ProDocs developed at the country level using UNDP RBM formats and systems, and country-level monitoring became more results focused. As UNEP staff had no access to the UNDP system, UNDP country offices collected implementation

information on a quarterly and annual basis from government PEI officials, entered it in the UNDP system and then forwarded the summaries to UNEP. However, the UNEP system was financial accounting- and audit- focused, not requiring any significant results-based information, to which donors objected. Thus detailed results-based reports were submitted and discussed at annual progress review meetings with donors (UNDP-UNEP PEI Africa, Government of Norway, 2006, 2006a, 2007, 2008).

The increasing number of staff in the PEI Africa regional team based in Nairobi enabled a much enhanced and more-or-less continuous monitoring of progress based on frequent and substantive interactions, including regular missions to the PEI countries. This enabled identification of problem areas so that remedial action could be taken. The Belgian programme conducted a mid-term evaluation (UNEP, 2006) and the Norwegian government conducted a final evaluation (Bass and Renard, 2009).

6.9.2   Comment and Assessment

The most important comment is that the formal UNEP M&E systems were not sufficiently results based to provide the information required to adequately monitor progress or report to donors. Thus, PEI Africa and the donor agreed on more substantive and results-based reporting (UNDP-UNEP PEI Africa, Government of Norway, 2006, 2006a).

Monitoring and evaluation significantly improved following the restructuring of the PEI programme, at both country and HQ levels. But there were still duplication and high transactions costs, as UNEP and UNDP programmatic and financial reporting systems had different formats. One reason for higher transactions costs in monitoring the budget is that UNEP programme managers do not have direct online access to the UNEP financial management system, but rather have to ask a fund management officer (FMO) for financial information. This frequently caused delays of a week or more, as FMOs had many projects in their portfolio and were not supervised by the programme managers they supported.

The UNDP ATLAS system and procedures are substantially different, with programme managers able to access financial management information directly online.   ATLAS financial reports, which can be produced within minutes by programme managers, indicate the total budget, funds committed and disbursed and uncommitted funds remaining. Moreover, this online system is accessible through any UNDP office anywhere in the world. The ATLAS system also reports on delivery against outputs and activities, so it is a combined programmatic results and financial progress reporting system. However, ATLAS sometimes provided dated information when governments lagged in supplying current data.

Of particular use in terms of monitoring and assessing the results of the programme were the annual progress review meetings with Norway that took place in 2005, 2006, 2007 and 2008

(UNDP-UNEP PEI Africa, Government of Norway, 2006, 2006a, 2007, 2008). In these meetings PEI Africa reported against the revised logframe in overall and country-specific terms. In addition PEI Africa prepared standard format PEI country project factsheets; these were regularly updated and provided a concise summary of each PEI country project, including main activities, progress, challenges and next steps. Study of the reports prepared for these meetings, as well as their minutes, indicates gains made in restructuring the PEI and progress in the countries. They also demonstrate that the donor and PEI Africa evolved a highly constructive relationship characterised by transparency and a useful dialogue on wider issues of environmental mainstreaming, UNDP-UNEP co-operation and the realities of country-level development assistance projects. In these interactions with donors, PEI Africa demonstrated that it had become a learning organisation in reporting and reacting to monitoring results. Some key donors, for example, Norway, UK, Ireland and Belgium, developed a genuine and substantive interest in what the PEI Africa was doing with poverty-environment mainstreaming and joint UNDP-UNEP co-operation, primarily as a result of the enhanced monitoring and reporting system.

In summary, in response to donor concerns about UNEP's formal M&E system, a comprehensive monitoring and evaluation system at different levels was put in place. The new system provided a detailed picture of progress on the ground and accurate financial reports, even if the different UNEP and UNDP formats caused significant and frustrating transactions costs. Another reason why this enhanced M&E system worked was the energetic engagement of the PEI Africa team in Nairobi with the PEI country teams in supporting the implementation of the PEI programme, which also improved its monitoring of practices.

6.10 Summary of Case Study Effectiveness

Table 6.2 Project Effectiveness Criteria Indicator Scores

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project.	▪ 3
	2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results	▪ 1
	3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the	▪ 1

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	EDP.	
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design).	• 3
	5. Strategy consistent with problem statement & key national processes linked to the drivers of the problem	• 3
	6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme management & oversight structures.	• 1
	7. Programme/Project is integrated into relevant Government or regional processes & institutional mechanisms.	• 1
	8. Strategy is consistent with EDP good practice. E.g. as contained in relevant UN EDP guidelines.	• 3
	9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	• 1
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	• 2
Outputs & Activities	11. Outputs included are short-term environment & development results to be produced within the project timeframe & budget and are consistent with the outcome.	• 3
	12. Activities describe actions needed to obtain the stated outputs & are consistent with the Outputs that need to be produced.	• 3
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	▪ 2
Budget	14. Budget sufficient to pay for activities & outputs.	▪ 3
	15. Budget is broken down by activities and/or outputs	▪ 3
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination	• 3

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	between different components & implementing agencies. 17. Ministries of Planning/Finance lead or co-lead the process. 18. Government steering and/technical committee chaired by lead ministry responsible for programme/project. 19. Reflect capacity of Government & other partners.	• 1 • 2 • 3
Risk Assessment	20. Risks to achievement of desired outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	▪ 2
Monitoring & Evaluation	21. Results based (rather than activity or output focused) quarterly & annual monitoring included 22. Progress reports are responded to with remedial actions implemented, documented and reported against.	▪ 3 • 2

The scores shown are based on the overall effectiveness of PEI Africa across the seven participating countries following restructuring; they include the effectiveness of PEI Africa 'work-arounds' where systems were not functioning consistent with PEI Africa protocols, e.g. the text here rates M&E 2 and 3, because the PEI Africa and the donor developed M&E systems to work around the basic inadequacy of the UNEP M&E systems. Without restructuring, the scores would have remained low as with the UNEP P&EP analysed in Case Study 1.

Table 6.3   Evaluation Criteria Summary Scores

Criteria	Score
Situational Analysis	▪ 1.67
Strategy	• 2
Outcome	• 2
Outputs & Activities	• 3
Work plan	▪ 2
Budget	▪ 3
Management & Co-ordination Arrangements	• 2
Feasibility, Risks & Sustainability	▪ 2
Monitoring & Evaluation	▪ 2.50

Overall effectiveness: Moderate Plus

By the end of 2009, the UNEP P&EP had been restructured into the joint UNDP-UNEP Poverty and Environment Initiative (PEI Africa) and had achieved credible but uneven results in terms of integrating environmental sustainability into national development planning processes in the seven PEI Africa countries. In addition, its impact in terms of UNDP-UNEP co-operation was highly successful. Evidence for this is contained in different donor reports, country fact sheets and evaluation reports, which document substantial but uneven improvements, although these results were uneven across countries and across the five outcomes (Bass and Renard, 2009, UNDP-UNEP PEI Africa, Government of Norway 2006, 2006a, 2007, 2008; UNEP, 2006).

Beyond what PEI Africa sought to achieve at the country level, the lessons learned enabled the development of a more broadly applicable model for integrating environmental sustainability into national and sector development planning processes. This model was formalised in the poverty-environment mainstreaming guidelines that were later published and thus fulfilled Needs/Goal 5 of the revised PEI Africa logframe referred to above (UNDP-UNEP PEI 2009). That key donors invited UNDP and UNEP to prepare a proposal to scale up the programme based on the PEI Africa is a verifiable indicator of the growing success of that programme (UNDP-UNEP PEI, 2007). Moreover, interagency co-operation in general and between UNEP and UNDP on environment in particular proved to be a catalyst for increased donor support for PEI Africa and other UN initiatives.

On the other hand, the level of effort required to restructure the PEI Africa appropriately was very much higher than anticipated, as indicated in the Belgian evaluation and other documentation. The success of PEI depended significantly on working around UNEP systems and procedures that were unsuited for the country-level impact that PEI Africa was trying to achieve. In addition, problems in implementation persisted. So, while the PEI Africa was a moderate success, it highlights a range of problems within UNEP that hindered its ability to more broadly address EDPs in developing countries. On the UNDP side, it demonstrates that its systems are in place, although they are cumbersome and sometimes the capacity to apply them is insufficient, which reduces UN effectiveness.

Key evidence to substantiate comments and analysis regarding PEI Africa is contained in the Norwegian evaluation of the PEI Africa, shown below:

1. PEI is playing a unique catalytic role in integrating poverty reduction and environmental objectives in-country

2. PEI has been careful to embed its in-country work in existing 'mainstream' development processes and institutions

3. The PEI pilot project has been a learning and adaptive programme, shaped ultimately— if not immediately— to suit country needs

4. PEI has been a 'One UN' pioneer, demonstrating the benefits of and the requirements for a joint programming approach between UNDP and UNEP for environmental mainstreaming

5. The full integration of poverty reduction and environmental objectives in-country is a long-term (10–20 year) institutional change process

6. Key 'upstream' issues constrain implementation of the newly integrated plans resulting from PEI's work, such as macro-economic and tenure policy

7. PEI faces many dilemmas 'downstream' of the national development plan

8. We conclude that PEI's relevance is very high, its effectiveness is good, equity is satisfactory, and sustainability is satisfactory—but efficiency is highly variable (depending upon country)

9. High-level UNDP and UNEP attention is essential to address some of the constraints to PEI progress, and there are clear roles for the PEI team and donors, too (p 2-4, Bass and Renard, 2009).

In conclusion, these findings indicate that the PEI Africa was a moderately good model for addressing EDPs in developing countries. Case Study 3 will describe and analyse PEI Rwanda, a third example of the integrated PEI country programme.

7. CASE STUDY 3: UNDP-UNEP PEI RWANDA PHASE I COUNTRY PROJECT (PEI RWANDA)

7.0 Introduction

The previous two case studies analysed the UNEP P&E project and UNDP-UNEP PEI Africa. Case Study 3 describes and assesses the UN Development Programme-UN Environment Programme Poverty Environment Initiative Rwanda, Phase 1 (UNDP-UNEP PEI Rwanda, Phase 1). PEI Rwanda was chosen because it was the first new country programme launched after restructuring of PEI Africa and was also the first joint Government-UNDP Country Office-PEI Africa project. In addition, it piloted the use of UNDP results-based project document format by PEI Africa.

The UN role in PEI Rwanda was critical. PEI Africa and the UNDP Country Office (CO) led the technical development of the ProDoc, working in a very participatory manner with the Government of Rwanda (GoR). The UN provided all the funding and ongoing management and technical advisory support.

<u>Description, Comment and Assessment of the Case Study</u>

7.1 Situational Analysis

7.1.1 *Description*

The situational analysis identified the problem as:

> Widespread environmental degradation is undermining access by the poor to land and natural resources on which they depend for their livelihoods, and is leading to worsening environmental conditions in urban areas. The result is a steady decline in economic opportunities and well-being among poor and vulnerable groups throughout Rwanda (p1, UNDP Rwanda, UNEP, Government of Rwanda (GoR) PEI Rwanda, 2005).

The ProDoc situational analysis set out the context, which contained higher-level development planning policies and processes most relevant to PEI Rwanda. These included the GoR commitment to increase focus on environmental issues in the next Rwanda Poverty Reduction Strategy Paper II (PRSP II), titled the Rwanda Economic Development and Poverty Reduction Strategy (EDPRS). The situational analysis also outlined institutional mechanisms GoR had already set up to support environmental mainstreaming. Further, annexes to the ProDoc set out the institutional framework for the preparation of the EDPRS.

7.1.2 *Comment and Assessment*

The situational analysis describes the relevant problem satisfactorily. It describes the links between development and environment, and reviews the history, context and aims of the PEI. While the description of higher-level development planning and environmental issues,

including GoR policies relating to environment, is somewhat weaker, some of this context is contained in the Strategy Section and Annexes of the ProDoc.

7.2   Strategy

7.2.1   Description

Consistent with the standard UNDP guidelines, the ProDoc includes a Strategy section. In addition, key annexes to the ProDoc, such as the Terms of Reference (TOR) for the Rwanda PEI Task Team, set out more detailed elements of the implementation strategy (UNDP Rwanda, UNEP, Government of Rwanda, 2005).

The ProDoc was developed in concert with the relevant GoR ministries, which helped ensure a high degree of government ownership at all levels. However, contrary to best practices that had emerged in the restructuring of PEI Africa, the lead agency was the Rwanda Environment Management Authority (REMA), not the Ministry of Finance and Economic Planning (MINECOFIN). REMA chaired the Rwanda PEI Steering and Technical Committees comprising key ministries, including MINECOFIN. While not leading, key officials in MINECOFIN strongly supported PEI Rwanda, resulting in a close working relationship between the PEI Rwanda Programme Management Unit (PMU) and MINECOFIN and active PMU participation in EDPRS preparation. Other ministries represented on the Technical Committee were those responsible for agriculture, local government and infrastructure. Throughout the duration of the project, PEI Rwanda was deeply engaged in the established government institutional processes and mechanisms, UN Country Team processes, and the relevant government-donor working groups.

PEI Rwanda adopted a two-phase strategy in designing the programme: First, it worked on integrating environmental sustainability into the EDPRS and a second phase project focused on implementing EDPRS sustainability objectives through sector plans and budgets. The importance of sectors was recognised from the beginning, as shown in this quote from Phase I: "The project will identify sectors key to the delivery of environmental benefits for economic growth and poverty eradication and focus on integration of environment into sector policies and development plans" (p2, UNDP Rwanda, UNEP, Government of Rwanda, 2005).

The strategy identified UNEP and UNDP Rwanda as joint providers of technical support and assistance for implementation. The importance of joint support from UNDP and UNEP was clearly acknowledged by the Minister of State for Environment who stated: "I do not want to hear you talk of UNEP or UNDP—as far as I am concerned you are all UN and you are here to support my country" (Hajabakiga pers comm., 2005).

7.2.2   Comment and Assessment

The strategy was broadly appropriate in design and application. For example, it was developed in a highly participatory manner, was consistent with the problem and integrated with relevant GoR programs and processes. However, the ProDoc fails to indicate the strategy element that was key to success—the deep, proactive engagement of the National Project Manager (NPM) and the International Technical Advisor (ITA) in the EDPRS process. The Norwegian evaluation also refers to the importance of this proactive engagement, which involved a great deal of work to put in place (Bass and Renard, 2009). The EDPRS process involved working sessions and other substantive meetings and discussions several times a week for nearly 18 months, six months longer than originally planned.

A PEI Africa report from the period outlines the key steps, tasks and approach required to formulate the program as a joint EDPRS and PEI Rwanda effort:

1. Launch of Process

2. Five year sector review, including cross cutting issues (CCIs). (Environment was a cross-cutting issue.)

3. PRSP process and formats finalised and presented by PRSP Secretariat.

4. Sector Working Groups (SWGs) established with a Facilitator attached to each. The facilitators were recruited by the leading ministry to ensure the required support was provided to respond to the very comprehensive requirements from the sector level and not to overburden the sectors. As much as possible each of the CCIs were represented in each of the SWG.

5. A number of formulation steps, such as logframe development, costing of interventions and budget analysis were undertaken, with the participation of the CCIs in each step to ensure mainstreaming.

6. No common framework was developed for the CCIs rather, there was ad hoc input and responses.

7. Validation of sector inputs.

8. Budget analysis and scenarios developed.

9. First and second draft, reviewed.

10. Final PRSP approved by Cabinet, September 2007.

Stakeholders included all government departments, UN agencies, bilateral and multilateral donors, plus civil society.

The specific support and guidance provided by the Rwanda PEI NPM and the ITA throughout the process was as set out below:

1. Development and provision of appropriate methodology for the mainstreaming/integration of environment in the EDPRS.

2. Preparation of sector checklists.

3. Negotiations with sectors and partners, training in the relevance of environmental sustainability for achievement of national development goals.

4. Identification and inclusion of links between sectors and environmental sustainability.

5. Costing for environment related activities, e.g. cost of compost facilities at schools and improved sanitary systems.

6. Briefs to policy makers summarising PEI findings from PEI sponsored studies, including the study on the economic impacts of unsustainable natural resource use.

7. Training of sector representatives in poverty-environment linkages to specific sectors.

8. Identification of environmental sustainability related priorities (e.g. soil erosion control problems).

9. Participation in all sector logframe trainings and development.

10. Budget preparation, providing input to overall budget preparation in all sectors.

11. Reporting/presentations on progress (p1-2, UNDP-UNEP PEI Africa, 2009a).

While this report documents how demanding the PEI Rwanda programme was (and would be for any similar country-level EDP project), the arduous nature of the programme was not reflected in the ProDoc. The strategy should have included greater recognition of the demands involved and indicated how these demands would be met, including assurances that the project had the necessary deep, ongoing engagement in the EDPRS process, which in turn would require dedicated PEI staff.

More broadly, the list also highlights the failure of the original UNEP Poverty and Environment Project (Case Study 1) to adequately estimate the very large amount of work addressing EDPs required. Further, the list illustrates the complexity of addressing EDPs in general, as the above approach has proven to be representative of what is needed to achieve success with similar projects in other countries.

As environment was a cross-cutting issue, input to all relevant sector working groups (SWGs) was required. Indeed, the depth of engagement of the NPM and the ITA was such that they were known as 'Mr and Mrs Environment'. They were energetic, adaptive and proactive throughout the process. Their prioritisation of tasks and taking advantage of opportunities was consistent with what was needed to mainstream environment in the context of EDPRS development and demonstrated that an inflexible focus on implementation of the work plan would not have worked. This highlighted the appropriateness of the ProDoc as an adjustable programme framework able to be modified (to a certain extent) to meet evolving needs and developments. The Norwegian evaluation recognised the way the PEI programme in Rwanda and the PEI in general adapted and seized opportunities for mainstreaming environmental sustainability objectives into development policy (Bass and Renard, 2009).

In addition, a key reason for the credibility of the ITA and NPM supporting the inclusion of environmental natural resource (ENR) sustainability in the EDPRS was the economic evidence collected by PEI Rwanda on how such sustainability could contribute to the achievement of development goals. In other words the combination of energetic, adaptive engagement and economic evidence was a winning strategy.

While not reflected in the Strategy section, the use of the economic evidence and the results of other reports was an important part of the work on the ground. Rather than simply presenting the completed reports, short two-to-four page briefing notes were prepared and used to highlight key points. These were revised so as to target the audience to whom they were being presented. As a result of the repeated use of these targeted messages, senior government officials used findings from the economic studies as the PEI work became embedded in official consciousness. For example, two years after the successful completion of the EDPRS, President Kagame used information from the Rwanda PEI economic analysis in an interview with *The Times* newspaper (Kagame, 2009). It should be stressed that getting the message across required repeatedly disseminating targeted points documenting the links between environmental sustainability and development objectives to the appropriate stakeholders, including GoR officials.

REMA's lead role on the project was not a problem, because MINECOFIN was running the EDPRS formulation process and REMA fully understood the need to act within these guidelines and in co-operation with MINECOFIN. However, some factors that applied to PEI Africa continued to impact on the effectiveness of the strategy. Case Studies 1 and 2 described the restructuring of the PEI to better focus on what would be necessary in order to achieve PEI objectives. This restructuring was not yet complete by the time Rwanda PEI began, and thus some inappropriate elements of the earlier design were still in place. For example, as indicated under the Strategy section, PEI Rwanda was designed for implementation in two phases with a focus on sectors in Phase II. However, it would have been better to include a focus on key sectors in PEI Rwanda Phase I.

As another example, UNEP procedures still required that separate UNEP and UNDP ProDocs in the different agency formats be developed and approved by both agencies, a very time-consuming process. Following the experience of the Rwanda ProDoc preparations and after strenuous lobbying by PEI Africa staff, UNEP managers agreed to use the UNDP ProDoc format to obtain the necessary approvals within UNEP. While the budget code reconciliation system still had to be used, this agreement by UNEP saved a great deal of time.

Higher-level issues that were also key to success of the strategy included the strong ownership displayed by the Government of Rwanda. This foundation enabled the hard work of the Rwanda PEI team to succeed. The strong ownership of PEI Rwanda reflected the general commitment of the GoR at all levels to addressing development and environment problems in the country, plus the recognition by key senior politicians and officials that environmentally unsustainable resource use was a threat to development. This strong ownership also reflected that the PEI Africa focused on developing a project in a fully participatory manner that focused on the GoR processes and priorities.

In the broader context, the national and organisational culture encountered in Rwanda was a strongly positive factor in the implementation of the Rwanda PEI. There was a strong focus on results, significantly less requirement to respect hierarchy for its own sake by GoR officials towards PEI staff, as well as a proactive approach and impressive commitment to developing the country prevailed. In terms of the research findings of Hofstede and Trompenaars, there was, for example, more evidence of a low power distance culture, one where there is less hierarchy, more consultation, and more tolerance for querying the actions of supervisors (Hofstede, 1980; Trompenaars and Hampden-Turner, 1997).

7.3   Outcomes

7.3.1   Description

The objective of the PEI Rwanda was "To mainstream environment into Rwanda's PRSP II" (EDPRS), (p9, UNDP Rwanda, UNEP, Government of Rwanda, 2005).

This objective and the ProDoc was an integral part the UN Rwanda programme that co-ordinated all UN support to the government. The higher-level outcomes and indicators for the PEI were, respectively:

> Productive capacities of the poor being enhanced by sustainable use of natural resources
>
> - The environment and natural management issue is reflected as a priority area in the second Poverty Reduction Strategy (EDPRS). Baseline: The environment is treated as a cross-cutting issue with somewhat weak policy focus.
>
> - Increase in budget allocation on sustainable use of natural resources up to 10%. Baseline: Around 7% in PRSP I Proposed Expenditure" (p15, UNDP Rwanda, UNEP, Government of Rwanda, 2005).

7.3.2   Comment and Assessment

The Rwanda PEI Phase 1 objective "to mainstream environment into the EDRPS (PRSP II)" is adequate, but it would have been improved by including reference to poverty elements—for example, "to mainstream pro-poor environmental sustainability into the EDPRS (PRSP II)". Overall, the Rwanda PEI Stage 1 was highly successful in terms of achieving the

desired results of the project. The main evidence of this is the inclusion of environment as both a sector and cross-cutting issue in the EDPRS, with an EDPRS stated priority to "Manage the environment and ensure optimal utilisation of natural resources" (p37, GoR, 2007).

Specific targets in the EDPRS to be achieved by 2012 relevant to this include:

- Raising the percentage of agriculture land protected from soil erosion from 40%–100%

- Increasing forestry coverage from 20% –23.5%

- Reduction in annual wood consumption from 8.9 m cu m to 6.2 m cu m

- Critically degraded ecosystems mapped, assessed and rehabilitated from 50–80%.

Section 4.4 of the EDPRS sets out the sector interventions for achievement of EDPRS environment targets. For example, section 4.198 states:

> As the environment is a cross-cutting issue, environment policies are being developed in collaboration with other sectors. Land use management issues will be addressed with the Agriculture Sector to develop interventions for reducing land degradation, soil erosion and soil fertility losses. The Forestry Sector has engaged with the environment and energy sectors to limit deforestation. The mining sector is addressing the problem of potential environmental degradation from quarrying activities (p92, Government of Rwanda, 2007)

All the success indicators listed in the ProDoc results framework were achieved. Overall, this inclusion of environmental sustainability and later budget increases for the environment sector means that environmental sustainability was recognised by the GoR as being important for achieving Rwanda development objectives. The Norwegian evaluation of the PEI Africa pilot phase also concluded that the Rwanda PEI I was a success stating:

> PEI Rwanda has made tremendous achievements, especially with its inputs into the provisions of the Economic Development and Poverty Reduction Strategy (EDPRS). One of the keys to the success of the PEI has been its ability to insert itself into, and contribute to, the main policy processes underway in the country (and it is now doing this at the level of sector strategies) (p35, Bass and Renard, 2009).

As indicated above, these achievements required a major, sustained and demanding effort and success was achieved for a variety of reasons including:

- Appropriate timing
- Enabling EDPRS development process
- Strong government commitment at different levels
- Appropriate project design, including studies that generated the economic evidence to show how sustainability could help achieve development objectives
- Adequate resources

- Proactive and highly competent project implementation team in Rwanda with appropriate back-up from PEI Africa in Nairobi

- High level of energetic engagement by the implementation team in all relevant areas of EDPRS development and use of an adaptive management approach

- Focus on achieving desired results

- Very good support from UNDP Rwanda programme staff.

There were also difficulties, both general and specific to PEI Rwanda. These include:

- Inadequate support from director level management in UNEP during the development phase

- Inappropriate UNEP procedures, in terms of country level engagement

- Inadequate administrative support from UNDP Rwanda at times

- Restructuring of PEI Africa was not yet complete, so there was a legacy of the inappropriate elements of the original UNEP P&EP project design

- Inadequate focus on how environmental sustainability could contribute to poverty reduction.

Good luck also helped. In the case of Rwanda PEI, it was fortuitous that the restructuring of the PEI Africa took place at the appropriate time in terms of the EDPRS development process, and also that the EDPRS process took longer than planned, which provided more flexibility and time. The Norwegian evaluation states:

> A main factor of success: opportunism, the ability to take advantage of other, larger policy processes. The main successes of, and impacts from, PEI Rwanda have come from its having inserted itself, at the right moment, into two very critical national processes, namely the EDPRS and decentralisation (p40, Bass and Renard, 2009a).

Overall, the experience of the Rwanda PEI Phase 1 demonstrated that poverty-environment mainstreaming is hard work in itself. When the realities of developing countries are added, it is very hard work for the entire project duration.

All three of the elements identified in literature review as key to successfully addressing EDPs— development aid design effectiveness, organisational culture and complexity— played a substantive role in the success of the Rwanda PEI. Interestingly, the national and organisational culture evidenced in Rwanda had a greater results focus than the findings of Hofstede and Trompenaars for other African countries. Donors and PEI Africa staff have commented that working in Rwanda was 'different' and more positive than their experience with other countries.

7.4   Outputs

7.4.1   Description

The desired outputs are set out in the Project Results and Resources Framework of the ProDoc, and in more detailed, budgeted form in the Annual Work plan (AWP). Relevant success indicators for the outputs and associated activities are also found in the RRF. The work plan consisted of five outputs based on a needs assessment, plus continuous dialogue between the GoR, UNDP Rwanda and PEI Africa. These were:

1. Knowledge base of poverty-environment linkages improved and disseminated
2. Development of practical mechanisms and tools to integrate environmental issues into EDPRS and sector policies
3. Capacity to mainstream environment into poverty-reduction strategies
4. Strengthened and co-ordinated stakeholder participation in poverty-environment initiatives
5. Approved PEI programme for Rwanda to build capacity, mechanisms and institutions to mainstream environment into development and sector plans.

The first output focused on demonstrating how environmentally sustainable resource use can contribute to the achievement of national development goals, such as food security and poverty reduction. Evidence gathered was then used to justify the inclusion of environment in the EDPRS. The second output focused on the actual integration of environment into the EDPRS, which is where the greatest effort was needed.

The third output focused on ensuring that key GoR decision makers participating in the EDPRS process had the knowledge to mainstream environment. Output 4 focused on stakeholder involvement, reflected the need to ensure that key stakeholders contributed to the mainstreaming of environmental sustainability into the EDPRS.

The final output reflected that the inclusion of environmental sustainability objectives in the EDPRS was not the final stage in mainstreaming environmental sustainability, and that these goals would need to be implemented via sector plans and budgets.

The process of PRSP implementation in Rwanda and other countries is that once the PRSP is approved, it is implemented via sector plans and budgets that are prepared via the country-specific sector and budget development processes. In addition to implementing sustainability objectives via sector plans and budgets, a longer term capacity building programme on how to identify poverty-environment links and operationally integrate them in national and sector level plans and budgets was deemed necessary to ensure sustainability of results.

Ten indicative activities in the Project Results and Resources Framework were configured into 18 sub-activities in the annual work plan (AWP). The overall ProDoc is in essence a

programme framework document, with the details of each activity set out in the AWP. A key reason for this is that it is not realistic to finalize the details for each activity when the ProDoc is being developed is that some activities take place many months later and depend on outputs from previous activities.

7.4.2   Comment and Assessment

The activities and outputs were consistent with the overall objective. This is demonstrated by the success of PEI Rwanda in having sustainability substantially included in the EDPRS, as indicated under the Outcomes section. Indeed the outputs and activities for PEI Rwanda became a model for the design of other PEI Africa country projects and Rwanda PEI significantly influenced the design of the PEI Scale-up.

A particularly useful output was the analysis of the economic costs and benefits of environmental unsustainability and sustainability. For example, it provided figures on how much soil erosion was costing Rwanda in reduced agricultural productivity. Another example calculated the reduction in hydroelectric generation caused by siltation and reduced water inflows caused by wetland draining (Musahara, 2006). This kind of concrete evidence of the links between environment and development was vital for persuading economists and planners that environmental objectives should be included in the EDPRS.

While the activities and outputs were appropriate, delivery of some of the outputs was delayed and/or substandard, reflecting capacity constraints at the country level. For example, the completion of the economic report took significantly longer than anticipated. This reflected data gaps as well insufficient capacity at the country level to carry out such studies. The PEI programme in general sought to use national institutions to help deliver outputs such as the economics report, not least as a part of the PEI efforts to increase national capacity to mainstream poverty-environment linkages. Some delays in delivery were accepted as part of efforts to increase national capacity, but a downside was need for the PEI Africa team in Nairobi to provide extra technical support.

While the activities and outputs were prerequisites for success, other key success factors were not so clearly reflected in the ProDoc or in UNDP manuals on project and programme development and implementation. A key example of such a success factor was the deep engagement of the ITA and the NPM in the development of the EDPRS (see Management and Co-ordination Arrangements below).

Another issue reflected in the Norwegian evaluation was that while the PEI is a poverty-environment programme, insufficient attention was paid to poverty reduction in the PEI country programmes; this is seen in the choice of activities and outputs. Partly this was a

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result of an unintended bias toward 'environment' rather than 'poverty-environment linkages' in the implementation of the ProDoc and more broadly in the PEI Africa countries.

7.5 Work Plan

7.5.1 Description

The original work plan spanned 18 months and was based on the scheduled timetable for the development of the EDPRS. It took nearly a year to finalise the ProDoc, including the work plan.

7.5.2 Comment and Assessment

It was logical and consistent with good development aid practice that the work plan was based on the EDPRS timetable. That completion of some of the activities took longer than expected suggests inadequate understanding of what would be required to complete the studies and/or of national capacity constraints. However, as the EDPRS took longer to complete than the GoR planned, these delays did not have such a negative impact.

7.6 Budget

7.6.1 Description

The total cash budget was for PEI Rwanda was US$607,277, of which $487, 255 was from PEI Africa, and $50,000 from UNDP HQ. In addition the GoR contributed about $70,000 in-kind—for example, government staff time. PEI Africa also made extra funds available to UNDP Rwanda and the GoR to carry out the preparatory work for the PEI Rwanda ProDoc. This proved to be most valuable as it was key to ensuring adequate consultation with GoR and the commencement of some activities before the ProDoc was formally approved, thus accelerating implementation. (Note that no ProDoc funds can be spent until formal completion and approval of the ProDoc).

Under the UNDP ProDoc format budgets are presented by activity and output; in contrast, UNEP P&EP budget, figures were presented by input category, such as consultancy fees or workshop costs. Work plans and budgets were subject to periodic review and could be modified if necessary. Budgets could be adjusted between activities as long as the total budget was not exceeded.

7.6.2 Comment and Assessment

The overall allocated budget proved to be sufficient. In some cases the budgeted amount per activity was too little and in others too much, but this was not a problem as UNDP rules permitted quick reallocation between activities. The incompatibility of UNDP and UNEP budget formats and codes created a lot of work, including designing a reconciliation system so that the different budget formats could be compared easily.

In some PEI countries actual or potential inappropriate use of funds was a real issue, but not in Rwanda. Nor did Rwanda government officials seek to structure the budget or activities to improve their receipt of allowances—for example, they did not seek to have a large number of workshops out of Kigali so that they would receive UN *per diem* allowances. In some other PEI Africa countries, there was substantive pressure to increase opportunities for the payment of UN allowances to government officials. However, in Rwanda there was a consistent focus on achieving project objectives in a cost-effective manner. This meant that the use of the budget was well focused on delivering the desired results.

7.7   Management and Co-ordination Arrangements

7.7.1   Description

Management arrangements consisted of REMA as programme manager, with strategic management oversight from a steering committee, a technical committee and the programme management unit (PMU). The PMU, which consisted of a NPM, an ITA and administration/finance assistant, was key to management and implementation of PEI Rwanda, with terms of reference for their positions set out in annexes to the ProDoc. The PMU was fully embedded in REMA and worked very closely with MINECOFIN.

7.7.2   Comment and Assessment

The Rwanda PEI PMU proved appropriate for successful project implementation. In addition, one-third- to one half-time equivalent support from the PEI Africa team in Nairobi was provided. The substantive staff component was consistent with the major demands of the PEI. These included operationalising environmental mainstreaming, which had not been done successfully before, as well as changing government priorities to make environmental sustainability a higher priority, while working in a multi-ministerial, cross-government manner. The PMU support was also consistent with the capacity constraints that existed in Rwanda.

Continuing problems with gaining approval for PEI Africa staff in Nairobi to travel to Rwanda (and other countries) caused delays and reduced the effectiveness of PEI Africa support (see Chapter 5, Case Study 1).

There were major capacity issues in Rwanda, particularly with the Rwanda Environment Management Authority REMA). Staffing levels were too low and personnel often lacked the required skills for mainstreaming, which is another reason why the three-person team plus back-up from PEI Africa in Nairobi and consultancy support were needed. Capacity gaps are major problem in most African countries, but are more acute in Rwanda, in part because of the genocide. Compensatory factors included that the very high commitment of GoR officials.

7.8   Risks Assessment

7.8.1   Description

Risks identified included delays in the GoR preparation of the EDPRS, changes in government personnel, inadequate support from UNDP and UNEP and misalignment between the Rwanda PEI and government timetable. Specific steps were listed to minimise risk, including through having a Phase II Rwanda PEI project.

7.8.2   Comment and Assessment

Most risks were identified and the strategy to address them put in place was adequate, except for the in excessive delays in processing administrative and financial paperwork in the UNDP Rwanda country office. These delays were symptomatic of a major capacity problem across UNDP Rwanda projects.

7.9   Monitoring and Evaluation

7.9.1   Description

PEI Rwanda employed the standard UNDP results-based M&E framework. The GoR and UNDP conducted periodic reviews through the PEI Rwanda steering committee, plus UNDP Rwanda regularly monitored progress as part of their standard project procedures. PEI Africa also carried out periodic reviews of both programmatic implementation and financial management, which was combined with reporting to donors from all seven pilot PEI countries. The focal point for PEI Rwanda in the PEI Africa team in Nairobi regularly monitored progress and provided technical assistance via regular missions to Rwanda, as was the case for all PEI Africa countries.

7.9.2   Comment and Assessment

The M&E system was adequate on the UNDP side. What was not so successful was addressing problems monitoring identified, especially delays in processing requests for procurement and payments by the UNDP Rwanda office. These delays proved to be a major handicap but as they existed independently of the project and reflected broader capacity issues in UNDP Rwanda, there was little that Rwanda PEI could do to avoid them.

The formal M&E framework from the UNEP side proved to be inadequate in terms of results-based reporting, as discussed under Case Studies 1 and 2 of this case study Additionally, as UNDP's computer-based results based reporting and monitoring systems are incompatible with UNEP systems, the information entered in the UNDP system could not be shared electronically with UNEP.

7.10   Summary of Case Study Effectiveness

Table 7.1:   Project Effectiveness Criteria Indicator Scores

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project.	▪ 3
	2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results	▪ 2
	3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.	▪ 2
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design).	● 3
	5. Strategy consistent with problem statement & key national processes linked to the drivers of the problem	● 3
	6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme management & oversight structures.	● 2
	7. Programme/Project is integrated into relevant Government or regional processes & institutional mechanisms.	● 3
	8. Strategy is consistent with EDP good practice. E.g. as contained in relevant UN EDP guidelines.	● 3
	9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	● 2
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	● 3
Outputs & Activities	11. Outputs included are short-term environment & development results to be produced within the project timeframe & budget and are consistent with the outcome.	● 3
	12. Activities describe actions needed to obtain the stated outputs & are	● 3

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	consistent with the Outputs that need to be produced.	
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	▪ 3
Budget	14. Budget sufficient to pay for activities & outputs.	▪ 3
	15. Budget is broken down by activities and/or outputs	▪ 3
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination between different components & implementing agencies.	• 3
	17. Ministries of Planning/Finance lead or co-lead the process.	• 2
	18. Government steering and/technical committee chaired by lead ministry responsible for programme/project.	• 3
	19. Reflect capacity of Government & other partners.	• 3
Risk Assessment	20. Risks to achievement of desired outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	▪ 2
Monitoring & Evaluation	21. Results based (rather than activity or output focused) quarterly & annual monitoring included	▪ 3
	22. Progress reports are responded to with remedial actions implemented, documented and reported against.	• 3

Table 7.2   Evaluation Criteria Summary Scores

Criteria	Score
Situational Analysis	▪ 2.33
Strategy	● 2.67
Outcome	● 3
Outputs & Activities	● 3
Work plan	▪ 3
Budget	▪ 3
Management & Co-ordination Arrangements	● 2.75
Feasibility, Risks & Sustainability	▪ 2
Monitoring & Evaluation	▪ 3

Overall Effectiveness: Good

PEI Rwanda Phase 1 was a major success, achieving the desired objectives as documented by the Norwegian evaluation and other donors who followed PEI Africa closely. For example, Irish Aid commented that Rwanda PEI was the best example of a PEI Africa country programme (Irish Aid official, pers comm., 2011). PEI Rwanda played the key role in ensuring that the EDPRS included environmental sustainability as a priority. The only substantive issue in this achievement was the relatively weak focus on the poverty side of poverty-environment mainstreaming. The combination of a very good actual strategy, excellent political-economy and technical commitment by the GoR, an outstanding PMU, plus strong alignment between the PEI and the EDPRS resulted in a winning program, although the strategy as the set out in the ProDoc did not fully reflect the strategy actually applied. While the programme experienced frustrations in-country and an incredible amount of hard work was required, PEI Rwanda appears to have been an inspiring experience for involved staff. Those individuals most involved made comments that can be summed up by "just imagine what a difference we could make if the UN and governments worked together like this most of the time".

8.   CASE STUDY 4: UNDP-UNEP PEI SCALE-UP

8.0   Introduction

Formal title: Scaling Up the UNDP-UNEP Development Programme-Environment Programme (UNDP-UNEP) Poverty-Environment Initiative (PEI)

Case Study 4 focuses on the UNDP-UNEP PEI Scale-up, which grew out of the success of UNDP-UNEP PEI Africa, with the PEI Rwanda as a prominent example of that success. With Case Study 4, this research will have covered the key elements of the only UN programme specifically targeting EDPs.

The origins of the PEI Scale-up lay in the increasing interest that donors showed in the UNDP-UNEP PEI Africa. There were two reasons why donors demonstrated this interest. One was the growing but admittedly uneven success PEI Africa was having with poverty-environment mainstreaming at the country level (Bass and Renard, 2009). The second was the growing success of the collaboration between UNDP and UNEP on the PEI Africa programme, with such inter-agency collaboration a high priority to donors. Based on both reasons, a group of donors suggested in late 2006 that the PEI prepare a joint UNDP-UNEP PEI Scale-up proposal, reflecting the lessons learnt from the PEI Africa (UNDP-UNEP PEI, 2007). The PEI proposal for scaling up the PEI to a global programme, including a scale-up to the Africa PEI programme, was presented to a large group of donors at a meeting in the Department of International Development (DFID) HQ in the latter part of 2006 and was very favourably received, in large part due to the very clear commitment to joint programming displayed by the senior managers from UNDP and UNEP.

Following donor endorsement and comments, the PEI Scale-up proposal was finalised in April 2007 and fund raising began, with a budget target of US$33.0m. The formal joint PEI Scale-up Global ProDoc was then prepared, which was a long process as it needed to reconcile incompatible financial and programme management systems and different ProDoc structures and content. The solution was to have one joint ProDoc based on UNDP rules with all funds pooled in the UNDP bank account and managed through the UNDP ATLAS system at all levels, global, regional and national. A method of sharing overheads was agreed upon, UNDP became the managing agent and donors agreed to accept joint reporting in a standard format. The two agencies also agreed to set up a jointly staffed Poverty-Environment Facility (PEF), with UNDP providing the Director and UNEP the Deputy Director, based at UNEP HQ. Four additional staff positions were agreed upon, split equally between the two agencies. The joint ProDoc establishing the PEI Scale-up was signed at the end of 2007 by the two agencies (UNDP-UNEP PEI, 2007a).

This level of joint programming was unprecedented between UNDP and UNEP and the PEI remains the most substantive example of joint programming between the two agencies and, indeed, in the UN. That it remains unprecedented is unfortunate, as donors saw the PEI as a model for deeper joint programming between the two agencies. This issue is discussed in the UNDP-UNEP MOU example in Chapter 11.

The PEI Africa was scaled up with the addition of three new countries—Malawi, Burkina Faso and Botswana—to the existing seven, plus new regional programmes established in Asia-Pacific (AP), Europe and Commonwealth of Independent States (ECIS) and Latin America and the Caribbean (LAC). As of the beginning of 2012, there are 18 full country programmes out of a ProDoc target of 25 under implementation, with technical advisory support to a number of others.

Description, Comment and Assessment of the Case Study

This description and assessment focuses on both the PEI Scale-up Proposal and the formal Scale-up ProDoc, as the ProDoc is based on the Proposal and substantive parts of the Proposal are inserted in the ProDoc.

8.1 Situational Analysis

8.1.1 Description

The situational analysis in the ProDoc presents a comprehensive analysis of the problem the PEI Scale-up intends to address and its underlying causes. The Proposal contains key elements of a situation analysis in a chapter titled "The challenges of mainstreaming environment in development". The ProDoc clearly outlines the link between poverty and environment: "Environmental conditions and access to natural resources and other environmental goods and services are closely linked to the livelihoods, health and vulnerability of people living in poverty – particularly women and children" (p4, UNDP-UNEP PEI, 2007a).

It then outlines the problems and causes underlying these conditions: "Yet despite their critical importance, environmental assets continue to be degraded at an alarming rate" (p5, UNDP-UNEP PEI, 2007a). These include the inadequate inclusion of poverty reduction assessments, a lack of understanding of poverty-environment linkages and a lack of capacity as to how to include them in country development planning processes at different levels (UNDP-UNEP PEI, 2007a).

The general approach to solving the problems was identified as "integrating poverty-environment concerns into the mainstream of development policy, planning and investment as an urgent priority" (p5, UNDP-UNEP PEI, 2007a). The analysis of the problem and the

solutions reflects lessons learnt from the PEI Africa, which are set out in the ProDoc in summary form, whilst the Proposal in the "Challenge" chapter contains more detailed analysis of these elements specifically in terms of what works and what does not work. For example, with regard to the use of economic analysis to convince planning decision-makers to increase the policy and budgetary priority attached to environmental sustainability:

> What has worked
>
> Detailed analysis of specific examples of how environmental change influences economic productivity, human health and national development, and how environmental investments can be a cost-effective means of poverty reduction (p13, UNDP-UNEP PEI, 2007).

The importance of working with ministries of planning or finance was another key lesson. The ProDoc included a partial and insufficient coverage of the higher-level issues, referring to the need for "understanding the political and institutional processes that shape national development planning and provide the context for poverty-environment mainstreaming" (p6, UNDP-UNEP PEI, 2007a).

8.1.2 Comment and Assessment

The situational analysis as set out in the ProDoc and included in different elements of the Proposal provides a good description of the problem and its causes. Thus, it sets the appropriate foundation for designing a strategy to address the problem. Higher-level issues could have been covered in more depth. The substantive section addressing lessons learnt demonstrates that the PEI had gained knowledge from the on-going PEI Africa implementation.

8.2   Strategy

8.2.1 Description

The PEI Scale-up strategy is set out in both the ProDoc and the Proposal, with the ProDoc strategy sections based on the PEI Scale-up Proposal strategy. As stated in the PEI Global Scale-up ProDoc, the main strategy was for the UNDP-UNEP PEI to provide capacity development support for poverty-environment mainstreaming to "address key implementation gaps to enhance the impact and sustainability of mainstreaming efforts" in an increasing number of countries through PEI country programmes (p11, UNDP-UNEP PEI, 2007a).

A programmatic model was applied to achieve the strategy called the PEI "Programmatic approach to mainstreaming environment in national development processes". A fully joint UNDP-UNEP management strategy was adopted, using UNDP's systems with funding pooled in one account.

This programmatic approach or model has three phases: Preparatory, Country Programme Phase 1 and Country Programme Phase 2 (UNDP-UNEP PEI, 2007a). The Preparatory phase for country PEI programmes focused on assessing the chances of successful mainstreaming, diagnosing the key priority poverty-environment (i.e., EDP) issues and establishing the joint UN-Government management and implementation arrangements, including the country PEI teams. Country Programme Phase 1 focused on gathering the evidence to persuade decision-makers in Planning and Finance ministries that increased investment in environmental sustainability would help achieve development goals. Secondly, it focused on supporting the integration of poverty-environment (i.e., EDP) linkages into Government national and sector development plans. Country Programme Phase 2 focused on supporting capacity development for government officials and other relevant stakeholders to carry out poverty-environment mainstreaming. The approach was set out in a sequential manner: Preparatory Phase – Phase 1 – Phase 2.

The PEI Country programmes were developed in-country based on priorities and processes using a highly participatory cross-sector process. Country programme implementation is led by Government and implemented by joint UNDP-Government PEI implementation teams. Further, the strategy is based on providing "sustained operational support to countries over several years" for poverty-environment mainstreaming (p11, UNDP-UNEP PEI, 2007a). Continuous lesson learning was built into the country programming process as well. The regional and global teams had a number of key roles, with the global team providing strategic guidance and the PEI regional teams ensuring that PEI country programmes were consistent with the overall PEI Scale-up desired outcome and results while also providing substantive ongoing technical advisory support, including for monitoring and evaluation (M&E).

While not stated explicitly in the ProDoc, the Proposal highlights the importance of Planning and Finance ministries being the focal point for PEI country programmes, as these ministries are responsible for the national development planning process: "The Planning/Finance ministry must be an equal or the prime focal ministry in the process from the very beginning" (p11, UNDP-UNEP PEI, 2007). In addition, donors in the PEI countries are stated to be key implementation partners. The strategy was designed to be applied flexibly according to country circumstances, with the main condition that the strategy applied be consistent with delivering the ProDoc commitments.

From when implementation of the Scale-up ProDoc began, monitoring and lesson learning from the older and on-going PEI Africa led to modifications to the PEI programmatic approach. The modified programmatic approach was included in the 2009 publication, "Mainstreaming Poverty-Environment Linkages into Development Planning: A Handbook

for Practitioners" (UNDP-UNEP PEI, 2009). This modified PEI Scale-up strategy is set out in Figure 8.1 below.
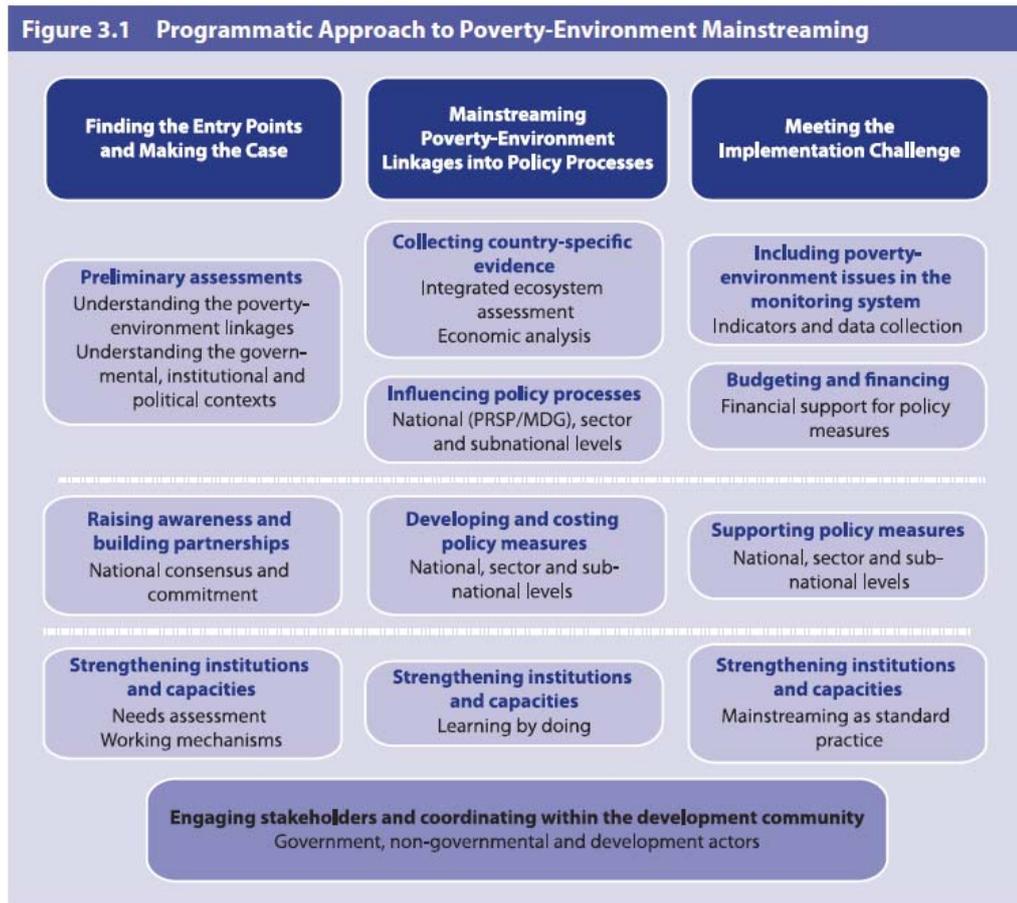
Figure 8.1. Programmatic Approach to Poverty-Environment Mainstreaming
Source: p15, UNDP-UNEP PEI, 2009

Overall, the main lesson learnt and reflected in the modified strategy was that the PEI approach needed to be more results focused, such as policy and budget changes at national, sector and sub-national levels. Donors also underscored this point. The initial strategy of placing an emphasis on capacity building to bring about results was acknowledged as not being sufficient or timely enough to bring about the desired change. Another lesson learnt was that the process of poverty-environment mainstreaming was not as sequential as the original approach implied including because individual countries might be at different stages of integrating environmental sustainability into development plans. The three components of the modified programmatic approach—"Finding the Entry Points & Making the Case", "Mainstreaming Poverty-Environment Linkages into Policy Processes" and "Meeting the Implementation Challenge"—are results-based components, as opposed to being activity focused as they are in the PEI Scale-up ProDoc. There is also more emphasis on budgeting,

financing and changing policy. This includes a new focus on costing policy measures and more focus on sectors, as seen in the PEI Malawi where a focus on the integration of poverty-environment objectives into the agricultural sector plan was included from the beginning (UNDP Malawi, UNEP, Government of Malawi, 2008). Capacity development is an activity across all components of the revised model and a reference to co-ordination is added.

Further, a 16-point checklist (Figure 8.2) to guide the appropriate application of the PEI programmatic approach, listing outputs and more specific results that should be produced by PEI country programmes, was developed and included in the PEI handbook (UNDP-UNEP PEI, 2009). This checklist, based on the lessons learnt in PEI Africa, also serves to highlight the complex and demanding nature of poverty-environment mainstreaming—and addressing EDPs in general—with many of the points involving a substantial amount of work.

However, while this revised programmatic approach was included in the PEI mainstreaming guidelines, the programmatic approach in the ProDoc was not revised.

8.2.2   *Comment and Assessment*

The strategy is strongly consistent with the problem and its causes, which were appropriately diagnosed in the situational analysis, but it needed modification, as demonstrated by the revised programmatic approach. The management strategy of using one agency's systems led to a dramatic reduction in transactions costs, compared with using both UNDP and UNEP systems. It also accelerated and simplified the implementation of PEI country programmes because, for example, it was no longer necessary to arrange financial agreements and transfers between UNEP and UNDP Country Offices as all funds came from one UNDP PEI account. Moreover, the UNDP ATLAS system is entirely based online so that electronic approvals to the UNDP CO account were as simple as inter-branch transfers within a bank.

In further improving the PEI strategy, the PEI demonstrated the characteristics of a learning organisation. However, the ProDoc was not revised to reflect the enhanced strategy, which should have occurred, as the PEI Scale-up ProDoc is a legally binding document, whereas the Guidelines do not have such status.

The core element of the PEI strategy of developing PEI Country Programmes in-country in a participatory manner led by Government was appropriate. Implementing PEI Country Programmes through UNDP also made sense because UNEP is a non-resident agency (NRA) with only four or five country offices. A key element of the strategy at the Country Level was sustained engagement, which had proved critical during the PEI Africa implementation.

Figure 8.2. Progress Checklist for Poverty-Environment Mainstreaming
Source: p16, UNDP-UNEP PEI, 2007.

It would have been preferable for the ProDoc to state explicitly that Planning/Finance ministries should lead PEI country programmes. Further, higher-level issues were not well reflected in the strategy.

8.3 Outcome

8.3.1 Description

The intended outcome and outcome indicators were:

> Intended Outcome
>
> Improved capacity of programme country governments and other stakeholders to integrate the environmental concerns of poor and vulnerable groups into policy, planning and implementation processes for poverty reduction, pro-poor growth and achievement of the MDGs.
>
> Outcome Indicators
>
> - Number of countries in which pro-poor environmental concerns are incorporated into: (1) the national development/poverty reduction and growth strategy: (2) budget processes/Medium-Term Expenditure Frameworks (MTEF); (3) key sector policies and plans; (4) the poverty monitoring system;
> - Widespread access to knowledge, tools and good practices on integrating environment into poverty reduction and growth policy and planning processes" (p18, UNDP-UNEP PEI, 2007a).

8.3.2 Comment and Assessment

The intended outcome and outcome indicators state the changes that the programme purports to bring about. It would have been useful to include in the ProDoc a more detailed guidance on the outcomes and results required at the country level as set out, for example, in the "Progress Checklist for Poverty-Environment Mainstreaming".

8.4 Outputs and Activities

8.4.1 Description

The ProDoc contains the standard UNDP logframe, called a Results and Resources Framework (RRF). There were three outputs: Output 1: Country poverty-environment mainstreaming programmes; Output 2 Joint UNDP-UNEP regional support programmes and regional communities of practice on poverty environment mainstreaming; Output 3: Global advisory services and support. "Output Indicators" and "Indicative Activities" plus estimated financial inputs were also listed in the RRF. For example, PEI Africa had a target of nine country programmes. The narrative for the Outputs indicates that country PEI programmes will set out detailed outputs, activities, inputs and indicators (UNDP-UNEP PEI, 2007a).

The RRF also sets out regional and global level outputs, including support for country programmes and knowledge management.

8.4.2   Comment and Assessment

In summary, all elements of the programmatic approach were included. The outputs combined with the output indicators, such as "Integration of poverty-environment issues in key planning frameworks for poverty reduction, growth and national MDG targets", are appropriate environment-development results and consistent with the outcome. Further, there is good consistency between outputs and activities. A focus on sectors is also included in the activities.

As noted above, when the PEI programmatic approach was modified, the ProDoc RRF was not. Thus, changes to outputs and activities that would have made them more results focused were not incorporated.

A substantive issue later identified was the lack of emphasis on the poverty side of poverty-environment mainstreaming in the ProDoc outputs and activities at the country level. This insufficient focus was also reflected in global and regional PEI management oversight of the development of the PEI country programmes. The Norwegian evaluation of the PEI Africa and the Mid-Term Review of the PEI Scale-up recognized this as a problem (Bass and Renard, 2009; PEM Consult, 2011).

8.5   Work plan

8.5.1   Description

A work plan for the first year of the PEI Scale-up was provided, listing key activities and annual output targets by Output, along with the annual budget. The ProDoc also stated an aim to support 25 full country programmes, although only 18 were supported by the end of 2011. This gap was due to budget shortfalls and delays in recruiting staff at the global and regional levels. These issues are discussed under 'Budget' and 'Management' below.

8.5.2   Comment and Assessment

The format and content of the work plan was consistent with the PEI Scale-up being a global ProDoc and reflected lessons learnt, particularly that the key to achievement of PEI objectives was the PEI country ProDocs and their work plans. In theory, the work plan provided enough time, but the delays in recruitment and in developing country PEI ProDocs meant that more time would have been required even if the budget shortfalls had not occurred.

8.6   Budget

8.6.1   Description

The budget target for the PEI Scale-up was US$33m. This was broken down by Output and Country PEI project phases. The figure of US$33m does not include funds provided by

UNDP Country Offices, which by the end of 2011 totalled US$6.6m (UNDP-UNEP PEI, 2012). Nor does this figure include the US$14.0m already mobilised for the older PEI Africa.

Support from donors for the PEI Scale-up was very strong and the budget target was on track to reach the figure of $33m. For example, DFID provided GBP 6.0m and Spain pledged Euros 4.0m. However, as an internal briefing note stated:

> . . .three financial shocks have resulted in PEI only receiving approximately US$21 million. In all three cases PEI had signed partnership agreements - with Belgium, UK and Spain - where the anticipated funds were or will not be received. The total funds not received to date are about US$10 million. ($2.0m Belgian, $2.6m UK, and $5.5m Spain)" (p1, UNDP-UNEP PEI, 2011a).

The first budgetary shock to the PEI programme was a decision by UNEP and the Belgian government in March 2009 to redirect Euros 2.3m previously earmarked to the PEI, to the general UNEP Environment Fund. This was part of a new Belgian policy to move from providing earmarked funds for specific projects to making non-earmarked contributions to the UNEP Environment Fund. However, this occurred after UNEP management had informed PEI and other UNEP programmes that the Belgian funds had been approved and that these programmes could now commit the funds to projects. In addition, the discussion and decision occurred without any consultations with PEI or the other UNEP programmes. PEI and the other programmes warned in writing of the consequences, pointing out that written financial commitments had already been made to governments and for staff contracts:

> If the funds are not secured as per the Belgian partnership agreement funds will have to be found from elsewhere in the PEI budget for the signed for Tanzania commitment, which means activities in some other countries could not be funded. The Uganda PEI would need to be ended, given the overall PEI financial position (p1, UNEP, 2009a).

After protracted and difficult discussions that lasted for over 11 months, PEI received US$900,000 as partial compensation (UNEP, 2010). In all, it lost approximately US$2.0m (approximation due to exchange rate variations) with the result that one PEI country programme was ended, one staff contract was left unfilled and funds from other parts of the PEI budget had to be found to meet the already signed agreement for PEI Tanzania.

The second financial shock was the non-receipt by the PEI of the second tranche of GBP 3.0m of the UK's funds, money that had already been largely committed to fund PEI regional teams and PEI country programmes. The DFID contribution of GBP 6.0m for PEI was made to UNEP's general environment fund, for eventual transmission to the PEI Scale-up. When the second tranche of GBP 3.0m from DFID was received, it was kept in the

Environment Fund and not transferred to the PEI. As was the case with the PEI Belgian funds, UNEP management did not discuss this with the PEI before the decision was made. The magnitude of the impact of non-receipt of funds was such that the PEI began to run out of cash. The UNEP donor office communicated to top UNEP management that the non-transfer of the DFID funds to PEI meant "we may be in breach of our agreement with DFID" (p1, UNEP Executive Office, 2011). Further, that the PEI would not able to meet its delivery targets and required an urgent allocation of US$1.0m to meet urgent cash flow requirements (UNEP Executive Office, 2011). While this urgent allocation was provided and addressed immediate and short-term cash flow needs, the non-receipt of the rest of the DFID funds left a net loss of about US$2.6m and resulted in fewer PEI country programmes commencing (UNEP Executive Office, 2011). As the funds had been jointly mobilised with UNDP for the joint UNDP-UNEP PEI, this decision also caused substantive upset to UNDP.

The third financial shock was the announcement by Spain that, due to the financial crisis, it could not disburse any of the Euro 400m it had pledged to UNDP for a four-year period, with the PEI due to receive Euro 4.0m of this. As a result, the PEI Latin America and Caribbean programme was frozen, with only one country programme in Uruguay. This decision was completely outside the control of the UN and particularly PEI and little could be done except to try and work around the problem.

Written analysis of the problems and their consequences was sent and discussed with the UNEP senior management, yet no response was received by UNDP and UNEP staff (UNDP-UNEP PEI, 2011a). Secondly, the budget situation was raised with the UNDP-UNEP PEI Joint Management Board (JMB) in July 2011 and the meeting minutes stated that the JMB "endorsed the drafting of a communication for donors on key budgetary and resource mobilisation issues" (p1, UNDP-UNEP PEI JMB, 2011b). However, no evidence could be found that this communication was sent. By the time of the next meeting of the PEI Donors Steering Group (DSG) in November 2011, donors were warned that based on current resources, four to five PEI country programmes would need to be shut down in Africa. Some donors immediately complained of not being given the correct information earlier and stressed that Africa was a priority.

To cope with the financial crisis, proposed new country programmes were frozen, existing programmes were scaled back and two staff positions were funded from other resources. New funds were mobilised from Norway and the EU, which were allocated to prevent PEI Africa country programmes from being shut down. Apart from the programmatic consequences, the number of internal documents indicates that attempting to deal with the financial problems took a very large amount of time.

8.6.2   *Comment and Assessment*

The target budget was sufficient for the outputs and activities, particularly as a number of UNDP Country Offices provided additional funds, with over US$6.5m raised from UNDP COs. The structuring of the budget into general categories without substantive detail was consistent with the nature of the ProDoc because it was a Global ProDoc and detailed budgets were to be developed at the Country Level. However, in terms of the scale of EDPs, and with this being the only UN programme dedicated to tackling EDPs, the overall budget was quite inadequate.

The agreement to use one budget management system via a pooled funding arrangement by the two agencies was an excellent one and arguably the strongest evidence of the full commitment of the agencies to joint programming at the time of the PEI Scale-up development.

The fact that the UNEP decision not to allocate substantive portions of the Belgian and DFID funds was made without any prior discussion with UNDP or the relevant PEI managers displays a lack of transparency in decision-making that is arguably part of a wider problem in UNEP. For example, the MOPAN assessment of UNEP commented about the lack of transparency within UNEP with respect to financial allocations (MOPAN, 2011).

Another feature of this issue is that neither the UNDP nor the UNEP representative on the PEI Joint Management Board (JMB) took any substantive action to address the budget problems despite being informed in writing and in detail of the consequences (UNDP-UNEP PEI JMB, 2011a). This could be explained as an insufficient focus on results and/or a desire not to query the higher level UNEP management responsible for the decisions, which is consistent with a don't rock the boat culture. Further, donors displayed a relatively mild formal reaction to these issues, despite privately expressing substantive concerns about funds not being disbursed to PEI.

8.7   Management and Co-ordination

8.7.1   *Description*

The key management implementation modality was a joint management approach between the two agencies, using UNDP's systems and with funding pooled in one bank account. The management arrangements were set out in writing in three documents: the PEI Scale-up ProDoc, the PEI Facility ProDoc and the Internal Guidance Note UNDP-UNEP PEI, 2007a, 2007b, 2008) providing clear guidance on management at global, regional and country levels. The different components of the management system that applied to the PEI Global Scale-up are set out below.

A Joint Management Board was established, consisting of the UNDP Environment and Energy Group Director and the UNDP Director for Regional Co-operation. The board held a strategic management oversight role and responsibility for the approval of the overall PEI strategy, global annual work plans and budgets. The PEI reported to a Donor Steering Group (DSG), which monitored overall delivery, and through which donor relations were managed. A Technical Advisory Group (TAG) to provide "an independent source of advice on PEI scale-up strategy and implementation" was also established (p15, UNDP-UNEP PEI, 2007a).

The joint Poverty-Environment Facility was set up with key functions of (1) overall management and coordination of the PEI programme; (2) technical support; (3) strategic planning and partnerships; (4) global knowledge management; and (5) donor relations and resource mobilization (UNDP-UNEP PEI, 2007a). UNDP provided the Director and UNEP the Deputy Director, with each agency providing two additional professional staff.

Regional teams were established for each of the planned regional programmes. The main functions of the UNDP-UNEP PEI Regional Teams are to provide management and technical advisory support to the country PEI programmes. In particular, they play a critical role in the preparation of PEI country programmes, ensuring consistency with the global ProDoc outcomes and monitoring progress.

The PEI country teams were the heart of the PEI strategy and management and implementation arrangements. They are responsible for designing, managing and implementing the PEI country programmes. Consistent with UNDP practice, a senior government official was assigned by government as the national level manager for the PEI country programme. The government manager and the senior in-country UNDP manager lead the PEI country programme, with substantive technical input from the PEI regional team. The pattern of PEI country teams varied and in the case of PEI Africa, the preferred model consists of an International Technical Advisor (ITA), a national programme manager (NPM) and an administrative/financial assistant. The ITA is always on a UNDP contract and the NPM is often on a UNDP contract, which enhances UNDP's ability to monitor delivery and take corrective action. National steering committees (preferably already established) and technical committees oversee and guide the PEI country programme implementation. In Africa, the national capacity constraints are a key reason why PEI paid for an ITA, a NPM and an administrative/finance assistant.

At the higher level, the management arrangements worked well for the first 18 months of the PEI Scale-up, with the JMB UNDP and UNEP Directors providing guidance and input

consistent with the ProDoc. However, a management issue occurred which degraded the joint management arrangements.

The ProDoc sets out the management arrangements, including which senior manager in each agency will represent PEI on the Joint Management Board and retain financial approval authority. UNEP made an internal decision without consultation of UNDP and against the advice of PEI management to change the management arrangements for the PEI. This was technically illegal without a revision to the ProDoc and against the spirit of joint management. UNDP responded with a firmly worded letter, complaining about the lack of consultation and questioning the decision's motives and legality (Kjorven, UNDP, 2010). This decision substantively degraded the spirit of the joint programming arrangement between UNDP and UNEP on an on-going basis.

In terms of programme management and implementation, the transfer of management control of the PEI within UNEP resulted in severe delays, as the new Division managing PEI from the UNEP side had an inadequate understanding of PEI programme and finances (Goumandakoye, 2012).

Another serious issue that slowed implementation of the PEI Scale-up was the non-replacement or long-delayed recruitment of staff. For example, when the UNDP PEI Director retired, that post remained vacant. Secondly, when the UNEP Deputy-Director retired, that post remained vacant for over 18 months. Still another Facility post was not replaced for 18 months. Together these vacancies created substantive problems (PEM Consult, 2011).

8.7.2   *Comment and Assessment*

The PEI Scale-up management arrangements were structurally sound and entirely consistent with successful joint programming. For example, these documents highlight the importance of ministries of Planning/Finance leading the PEI country programmes and set out financial management arrangements in detail.

Nevertheless, these well-documented arrangements, some of which were legally binding, were not implemented appropriately. The effectiveness of the joint management arrangements was also degraded by the decision of UNEP to change these arrangements without consulting UNDP.

Explanations for these actions by UNEP vary, but discussions with relevant officials suggest that the UNEP decision appears consistent with a lack of adequate systems and results based decision-making, including decision-making based on internal bureaucratic-political relationships. In a verbal briefing to Helen Clark, the UNDP Administrator, the point was made that UNDP's decision making was much more systems based than UNEP's (UNDP-

UNEP PEI-UNDP Kenya, 2011). Consistent with this assessment, a UNDP Bureau of Management staff member posted to UNEP stated at a UNEP programme of work planning meeting that, compared with UNEP, decision-making in UNDP was more "analytically based" (UNDP official, 2007). However, there were management issues on the UNDP side as well. The failure to replace the UNDP Director of the Poverty-Environment Facility was the most obvious sign of this, with UNDP management input downgraded to an acting manager based at UNDP HQ in New York.

The failure to replace key PEI staff at all or in a timely manner suggested a decline in commitment to the PEI by both UNDP and UNEP. It is possible the fact that new senior managers responsible for PEI were appointed in both agencies led to a decline in commitment to the programme. The Mid-Term Review highlighted this matter of the non-replacement of key PEI staff as a major issue (PEM Consult, 2011).

The relative passivity of management in the face of the budget problems referred to in section 8.6 Budget was also a substantive weakness.

8.8   Risk Assessment

8.8.1   Description
There was no risk assessment.

8.8.2   Comment and Assessment
Given the UNDP ProDoc requirements, this omission is inexplicable, particular as joint programmes carry substantive additional risks, such that one or both agencies might not deliver on their commitments.

8.9   Monitoring and Evaluation

8.9.1   Description
The PEI Global ProDoc provided general guidance on monitoring and evaluation, indicating that the Facility would provide tools for a "rigorous" monitoring system and that at the country level UNDP Country Offices "will be responsible for reporting on country level activities and outputs" with assistance from the PEI regional teams (p16, UNDP-UNEP PEI, 2007a).

However, donors were not satisfied with the M&E of the PEI and repeatedly requested a more substantive M&E framework, including through the PEI Donor Steering Group and the Technical Advisory Group (UNDP-UNEP PEI, 2011). There was a drawn-out debate over the parameters of monitoring and evaluating PEI results. Some donors wanted more emphasis on monitoring PEI impacts on poverty levels at the country level, while other

donors considered PEI to be a catalytic, enabling programme not directly responsible for concrete changes such as a reduction in the number of poor people. Rather, the PEI sought to change policies and budgets that would result in changes on the ground as governments and donors implemented them. After a series of discussions, donors accepted that PEI was an enabling programme, but requested PEI to develop a substantially enhanced monitoring and evaluation framework. Further, they asked that PEI develop a "Theory of Change" to demonstrate how PEI could catalyse the policy and budgetary changes it sought to bring about (UNDP-UNEP PEI, 2011).

The PEI acknowledged that it needed to provide improved M&E and developed a substantially enhanced M&E framework in 2011-2012.

8.9.2   *Comment and Assessment*

Given the UNDP emphasis on monitoring and evaluation, it is not clear why the PEI Scale-up ProDoc did not incorporate a substantive M&E framework with Outcomes, Outputs, targets, indicators and baselines. The fact that PEI country programmes had their own M&E framework meant that the PEI Scale-up omission was largely compensated for at the country level.

8.10   Summary of Case Study Effectiveness.

Table 8.1:   Project Effectiveness Criteria Indicator Scores

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project. 2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results 3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.	▪ 3 ▪ 2 ▪ 2
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design). 5. Strategy consistent with problem statement & key national processes linked to the drivers of the problem 6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g.	• 3 • 3 • 2

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	Agriculture) are an integral part of programme management & oversight structures. 7. Programme/Project is integrated into relevant Government or regional processes & institutional mechanisms. 8. Strategy is consistent with EDP good practice, e.g. as contained in relevant UN EDP guidelines. 9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	• 3 • 3 • 2
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	• 3
Outputs & Activities	11. Outputs included are short-term environment & development results to be produced within the project timeframe & budget and are consistent with the outcome. 12. Activities describe actions needed to obtain the stated outputs & are consistent with the Outputs that need to be produced.	• 3 • 3
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	▪ 3
Budget	14. Budget sufficient to pay for activities & outputs. 15. Budget is broken down by activities and/or outputs	▪ 1 ▪ 1
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination between different components & implementing agencies. 17. Ministries of Planning/Finance lead or co-lead the process. 18. Government steering and/technical committee chaired by lead ministry responsible for programme/project. 19. Reflect capacity of Government & other partners.	• 1 • 3 • 3 • 3

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Risk Assessment	20. Risks to achievement of desired outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	▪ 1
Monitoring & Evaluation	21. Results-based (rather than activity or output focused) quarterly & annual monitoring included 22. Progress reports are responded to with remedial actions implemented, documented and reported against.	▪ 2 ● 2

The grades reflect that while the design of the PEI Scale-up was essentially good, some elements were inappropriately implemented.

Table 8.2 Evaluation Criteria Summary Scores

Criteria	Score
Situational Analysis	▪ 2.33
Strategy	● 2.67
Outcome	● 3
Outputs & Activities	● 3
Work plan	▪ 3
Budget	▪ 1
Management & Co-ordination Arrangements	● 2.50
Feasibility, Risks & Sustainability	▪ 1
Monitoring & Evaluation	▪ 2

Overall effectiveness: Moderate

The overall rating of moderate reflects that while many elements of the PEI Scale-up were consistent with good development aid practice and the lessons learnt from earlier PEI Africa experience, some criteria received a poor rating. This moderate rating is consistent with the PEI Scale-up Mid-Term Review (MTR), conducted during September – November 2011, which recognized the PEI "added value", but also recommended improvements such as a more substantive focus on the poverty elements of poverty-environment mainstreaming and the impact of staff vacancies (PEM Consult, 2011).

The budget decisions, staff vacancies and degradation of the spirit and letter of joint programming were all substantially negative influences on PEI implementation. The budget issues had a crippling impact on the PEI Scale-up implementation and the management issues reflect major challenges in development aid. The UNDP's non-replacement of PEI

Director suggests that the earlier strong commitment by the previous UNDP senior manager to PEI had not been institutionalised, which is an organisational culture issue.

On a key positive note, the restructured PEI Africa and the PEI Scale-up demonstrated that UNDP and UNEP have developed a successful model for addressing EDPs in developing countries. In working towards this model, the PEI teams in both organisations clearly demonstrated the characteristics of learning organisations. The PEI was recognised in a variety of forums as a successful mode for poverty-environment mainstreaming, including the UNDP Poverty and Environment Nexus evaluation (UNDP EO, 2010). It was also seen to have wider applicability. For example, PEI Africa and PEI Malawi were invited to make a presentation to a 2011 Nordic Council of Ministers seminar on International Environmental Governance on PEI as a model for operationalising pro-poor environmental sustainability at the country level in a manner fully consistent with UN reform (Nordic Council of Ministers, 2011).

In summary of the UNEP P&EP and the three PEI Case Studies: From flawed beginnings in 2004 to the PEI Scale-up in 2011, the PEI developed, tested and proved a model for addressing EDPs at the country level. The main constraints in the earlier stages proved to be a mix of development aid design and organisational culture factors. As skill and application of development aid designed to address EDPs increased, persistent organisational culture issues impeded deeper and broader success.

9. CASE STUDY 5: THE UNEP WATER POLICY STRATEGY— 2001–2006

9.0 Introduction

Formal Title: Water Policy and Strategy (WP&S) of the United Nations Environment Programme (UNEP WP&S, 2000). The WP&S is attached as Appendix 5. The key additional document referred to in this case study is the UNEP ProDoc, "Support to the Implementation of the UNEP Water Policy and Strategy", plus the revisions to that ProDoc that occurred from 2002–2008 (UNEP WP&S, 2002–2008). This ProDoc, hereafter referred to as the WP&S ProDoc, contains a number of activities and a budget to support the implementation of the freshwater elements of the UNEP WP&S.

This case study covers the development, approval (February 2001) and implementation of the WP&S up until February 2007, when an updated Water Policy and Strategy was approved. The WP&S covered both marine and freshwater issues, but the focus within the case study will be on the freshwater component of the WP&S, as the unsustainable use of freshwater is arguably the most serious Environment-Development Problem (EDP) on the planet. As indicated in the background chapter, about 3 million people die every year from waterborne diseases, which results in the loss of an estimated 64.4 million Disability Adjusted Life Years (DALYs) per annum (UNDP et al, 2005). (See Chapter 2 for a definition of DALYs.) In addition, the depletion of water resources is a serious threat to food security. Further, competition over transboundary waters has been identified as a potential source of conflict (UNEP, 2003b).

UNEP has had a freshwater programme since shortly after its establishment in the early 1970s. Despite its relatively small size, UNEP gained a credible reputation in this area, particularly in monitoring the global state of freshwater resources and also in relation to assessing and managing transboundary freshwater resources. In the mid-1980s it developed the Environmentally Sound Management of Inland Waters (EMINWA) programme, with inland waters including lake and river basins and aquifers. EMINWA was an integrated water resources management programme (IWRM), including all relevant natural and human factors and activities in a water basin (David, 1986; David et al., 1988, UNEP n.d.). The main focus of the EMINWA was on "assisting governments to develop integrated and environmentally-sound management programmes for freshwater resources" (p6, UNEP, n.d.).

Prominent examples of its work included the diagnostic studies of the Aral Sea, Mekong River and Zambezi Basin, and follow-up Action Plans for the Aral Sea and Zambezi Basin (UNEP, 1993). As UNEP did not have the resources to fund the implementation of Action

Plans, it acted as a catalytic agency, with a key role being resource mobilisation from larger UN agencies, multilateral banks and other donors. However, this catalytic approach was not so successful, with UNEP unable to ensure that the funds were raised or that Action Plans were implemented, even when the Action Plans were endorsed by the relevant governments: "The EMINWA programme has not been able to ensure that all remedial measures, as suggested and agreed upon in Action Plans, are implemented" (p9, UNEP n.d.).

Another issue was that while the earlier design of EMINWA recognised the importance of socio-economic factors, their inclusion in UNEP's work was inadequate (David, 1986). Consequently, UNEP's Freshwater 1994–1995 work programme recognised that addressing environmental freshwater problems needed economic tools and multi-sector approaches:

> Economic instruments—Noting the importance of economic considerations in addressing sustainable management and use of water resources, greater attention must be given to development and use of appropriate economic instruments. Such issues as water pricing subsidies, etc., will be prominent in such efforts (p10, UNEP, 1997).

The lack of substantive economic focus in the Diagnostic Analysis and the Action Plans was recognised internally as a contributory reason as to why Action Plans were not implemented adequately. This lack helped keep such studies in the environmental realm, with the economic consequences inadequately recognised, which in turn made it more difficult to convince relevant decision makers to allocate the resources for implementation.

This led UNEP to focus increasingly on economic aspects. For example, UNEP conducted workshops on the application of economic tools for improving the environmental sustainability of freshwater use, one being "Workshop on the Use of Economic Principles for the Integrated Management of Freshwater Resources" (UNEP, 1995). Additional workshops were planned, but funding problems in UNEP meant that they were not conducted.

Subsequent programming documents (UNEP, 1997) and also UNEP Governing Council papers adopted by member states increasingly referred to the relevance of economic tools in addressing freshwater problems, including the phrase "Development and testing of appropriate economic instruments" (p6, UNEP/HLC/2/4/Add.1, 1998). The steady increase in references by UNEP to the importance of economics indicates the growing recognition that freshwater problems were EDPs, where economic aspects were both causes and effects of freshwater problems. These references also highlight that the UNEP Freshwater Unit was exhibiting the characteristics of a learning organisation.

The preparation of the UNEP WP&S lasted 18 months, from May 1999 to December 2000, before being approved by the UNEP Governing Council in February 2001. As the internal

files demonstrate, this preparation was characterised by repeated redrafts and internal disagreements over format and content, as well as strong concerns from some member states over content, including Australia, Canada, Egypt and Turkey. This preparation absorbed a huge amount of staff time that was consequently not available for addressing freshwater problems in developing countries.

Description, Comment and Assessment of the Case Study

The description and assessment below focuses on the freshwater elements of the UNEP WP&S plus the associated WP&S ProDoc.

9.1   Situational Analysis

9.1.1   Description

The WP&S does not have a situational analysis or a problem statement. It outlines in very general terms freshwater problems and their direct causes—for example, water pollution caused by fertiliser runoff. There are some general statements under "Economic dimension of sustainable water use" (p19, UNEP WP&S, 2000) regarding links between unsustainable freshwater use and economics. While there is a later reference to "tackling the root causes" (p7, UNEP WP&S, 2000), there is no reference to what exactly the root causes are in the WP&S, nor is there an analysis of higher-level policies. Further, the WP&S ProDoc does not have a problem statement or situational analysis. Paragraph 20 implies that the problem the WP&S was trying to address may have been the lack of a "holistic, integrated and co-ordinated" approach to addressing water environmental problems (p7, UNEP WP&S, 2000). The only reference found to the overall purpose of the WP&S was from an undated internal note to the UNEP Executive Director that stated: "The purpose of the Policy and Strategy document is to give guidance and direction to all UNEP's water-related activities" (p1, UNEP WP&S, n.d.). UNEP staff at the time queried the purpose and need for the WP&S. For instance, a UNEP water specialist commented that the "document would be greatly improved by an initial upfront statement of intent" (p1, Pernetta, 1999). There was no analysis of higher-level issues relevant to addressing freshwater or broader water issues.

9.1.2   Comment and Assessment

The WP&S did not meet the indicators of achievement for an adequate situational analysis. The absence of adequate inclusion of elements, including a problem statement, was repeatedly commented on during the drafting of the WP&S (Pernetta, 1999; Diop, 1999; Kaniaru, 1999). Further statements seeking clarity as to why the WP&S was being prepared were not reflected in the final version. Other comments referred to the need to include references to integrating water strategies into economic development policies, as well as

discussion of links between poverty and water resource degradation (Vandeweerd, 1999). However, these comments were not adequately incorporated in the final version of the WP&S. There are general statements about the economic dimension of sustainable freshwater use in the freshwater section of the WP&S (p19, paragraph e), but the economic dimension is not reflected in any of the freshwater activities or outputs.

Another omission in the discussion of causes and solutions is the lack of reference to the importance of water-related institutions, despite the fact that development aid research identified the importance of institutions in addressing development problems and UNEP-sponsored papers recognised the importance of institutions for successful water management (Howe, 1995).

The absence in the situation analysis of the consideration of higher-level policy issues that might impact the development and implementation of the WP&S and in the Strategy itself was inconsistent with good development aid design. Consideration of higher-level issues by UNEP staff, such as political attitudes toward water pricing and transboundary waters, may have forewarned of the potential for negative reactions from some member states as to their inclusion in WP&S.

9.2   Strategy

9.2.1   Description

While this is a Water Policy and Strategy document, there is not a strategy section in the WP&S. However, portions of the WP&S suggest elements of the strategy that was adopted, stating, for example: "UNEP will provide strategic co-ordination for and help mobilise actions and partnerships at various levels" (p20, UNEP WP&S, 2000). Given UNEP's relatively small size and its status as a non-resident agency (NRA), that is appropriate.

A fully participatory approach was taken to the development of the WP&S, with all relevant UNEP offices involved, and substantive programmatic input from a group of member states occurred later.

9.2.2   Comment and Assessment

Overall, most of the elements of an appropriate strategy were missing from the WP&S and those that were included were not adequate. For example, while it was appropriate that UNEP adopt a strategy that included a focus on mobilising actions and resources from others, none of the bodies referred to had any input into the UNEP WP&S, including the UN Development Program (UNDP), which had its own water programme and country-level presence.

A key flaw with the strategy was that the problem had not been clearly outlined, either in terms of water or the need for the WP&S. UNEP has previously recognised that an integrated economic-environmental approach was needed to address water problems, but this was not reflected in the strategy or broader WP&S. Nor does the strategy reflect that a multi-sector approach should be taken.

As addressing freshwater problems requires actions at the country level, the WP&S should have included a country-level strategy, but it did not. For example, there are no specific references to working through national and sector development planning processes; there is merely a general reference to planning water use and management "in harmony with economic and social development" (p8, UNEP WP&S, 2000).

Moreover, the WP&S makes no reference to Integrated Water Resources Management (IWRM), even though this is the global standard approach for sustainable freshwater management and in spite of UNEP's earlier successful IWRM programmes. Internal UNEP comments that IWRM or integrated river basin management (IRBM) approaches should be included were ignored (Rast, 1999; Kaniaru, 1999). Part of the reason for the omission of IWRM from the final version of the WP&S is that IWRM takes an integrated environmental and economic approach to water resources management and there was consistent opposition from a small number of member states to UNEP including consideration of economic aspects of water management during the development of the WP&S

The failure to consider higher-level policy issues, particularly the substantive political-economy aspects of freshwater management, was a key reason why the development of the WP&S repeatedly received negative comments from some governments. An in-house analysis of higher-level policy issues during the early planning stages may have led to the conclusion that it was preferable not to develop the WP&S at all, but rather to develop an in-house water programme using existing UNEP legislative authority. This appears credible due to WP&S references to UNEP's "extensive legislative authority" with respect to water (p7, UNEP WP&S, 2000). Further, an internal analysis of UNEP's legislative mandate for water confirmed that UNEP already had enough legislative authority to develop a full water programme, including one that took an integrated environment-development approach that included economic approaches (UNEP WP&S, 2000a).

9.3   Outcome

9.3.1   Description

The WP&S does not have an outcome statement. It has five goals: two of which (a and c) specifically refer to freshwater and two others (b and e) that are relevant to freshwater (p8, UNEP WP&S, 2000). It also sets out focal areas for the WP&S. The WP&S ProDoc results

paragraph refers to effective implementation of the WP&S (UNEP WP&S ProDoc, 2002–2008). Neither document has a logframe, which if properly designed includes the outcome and desired results.

9.3.2 Comment and Assessment

The goals were too general and did not state the actual or intended change that the programme is seeking to bring about. For example, there was no reference to improving water quality nor were there any indicators. Some member states had similar concerns, urging UNEP to include specific objectives (Canada, 1999a; Australia, 1999).

The absence of a logframe was a serious omission and reflects the non-RBM design of the UNEP WP&S and the WP&S ProDoc.

9.4 Outputs and Activities

9.4.1 Description

The WP&S lists a number of overall expected outputs; under each component of the WP&S it has a number of additional "expected" outputs, including the freshwater activities (p8–9, UNEP WP&S, 2000). However, there are no indicators or targets in the WP&S. The freshwater activities and "expected" outputs were listed (p18, UNEP WP&S, 2000). The WP&S ProDoc also lists activities and what it refers to as "anticipated outputs".

9.4.2 Comment and Assessment

Since there is no outcome statement, the consistency of the outputs and activities cannot be assessed in. As listed, the outputs were not expressed as results to be achieved within the project lifetime and budget. Nor was there a clear results-based link between the activities and outputs. A number of the outputs listed were not drafted as outputs and some were expressed as "expected" or "anticipated" outputs. The wording of some of the outputs was more consistent with the wording for activities; for example, see (e) under expected outputs references to "Activities" (p18, UNEP WP&S, 2000). Sweden commented that policies and activities appeared to be mixed up in earlier drafts, but the problems persisted in the approved WP&S (Sweden, 1999). As there are no indicators or targets, assessment of the achievement of the outputs is not possible in any results-based manner.

A number of governments, including Australia, considered that the range and number of activities and outputs in the WP&S was too ambitious and did not reflect what UNEP could realistically achieve, given its mandate and capacity (Australia, 1999). (At that time, UNEP had six or seven freshwater staff.)

There were also internal and external concerns that the WP&S did not place enough emphasis on freshwater, compared with the other components. Internal comments on this

were referred to under "Strategy" above (Kaniaru, 1999; Rast 1999). Canada and Australia commented that the freshwater sections needed to be strengthened (Australia, 1999; Canada, 1999, 1999a). For example:

> We have pointed out before that UNEP has largely put all its support into marine based programmes and sort of forgotten about freshwater. We are pleased to see that the Australians also agree with this. We think UNEP needs to revisit how it is proportioning its resources between marine and freshwater programmes. The value of freshwater is undisputed—how can UNEP afford to largely ignore it? (p3, Canada, 1999)

However, the freshwater component was not strengthened significantly in the final version of the WP&S, which was consistent with other governments objecting to aspects of the freshwater component in drafts of the WP&S. Representatives of Egypt and Turkey persistently and strongly objected to any reference in the WP&S to UNEP working on transboundary waters, due to their national sensitivities over the Nile, Euphrates and Tigris Rivers. They also objected to references to economics or legal instruments for freshwater management being included in the WP&S. For instance, Egypt objected to UNEP including in the WP&S any references to transboundary waters, equity and legal or economic instruments (Egypt, 2000). Overall, their objectives were a rejection of UNEP applying IWRM, the standard good practice methodology for freshwater management. An internal UNEP analysis rebutted the Egyptian and Turkish views point by point, concluding:

> If the concerns of Egypt and Turkey are substantially reflected in the redrafting of the Water Policy and Strategy and in subsequent implementation gaps, such as the Terms of Reference for the Working Group, it will not be possible for UNEP to effectively address environmental problems relevant to freshwater (p1, UNEP, 2000a).

Further, the internal analysis stated:

> The concerns of Egypt and Turkey are understandable within the context of water issues in their countries. However it would set a very dangerous precedent to allow UNEP's freshwater work in general to be constrained in the manner Egypt indicates. It would also be inconsistent with UNEP's mandate and international decisions on integrated freshwater management (p2, UNEP, 2000a).

While the views of Australia and Canada were not reflected in the final version of the WP&S, the views of Egypt and Turkey were substantially reflected in the freshwater section, despite some managers declining to reflect the Egyptian and Turkish views in the sections of the WP&S for which they were responsible. For example, the manager responsible for one of the other components of the WP&S decided to include reference to the need to "Develop economic incentives" and for the "internalisation of environmental costs through, for example, polluter pays principles" (p14, UNEP WP&S, 2000). That is, there was a lack of consistency within the WP&S.

The actions by Egypt and Turkey had no legal basis and reflected concerns over freshwater management issues relevant to their own countries, but the relevant UNEP manager responsible for the freshwater programme and also for co-ordinating the overall WP&S development decided not to challenge the Egyptian or Turkish views, despite suggestions to do so by other UNEP managers. This is consistent with a 'minimise rocking the boat' approach probably based on a calculation that, given the strength of the objections from Egypt and Turkey, it was bureaucratically too risky to challenge their views, despite these having no legal basis. The situation also indicates a lack of managerial coherence within UNEP, given that one manager included references to economic elements in a different component of the WP&S, which could reflect the existence of sub-cultures within the organisation (Schein, 1990).

Despite the WP&S not including reference to IWRM, the WP&S implementation support ProDoc includes two IWRM activities, "Support for Integrated Water Resources Management (IWRM)" and "Pilot projects on Integrated Water Resources Management (IWRM)" (p6, p8, UNEP WP&S ProDoc, 2002-2008). ProDocs are developed and approved internally and not subject to the approval of member states, so the inclusion of IWRM in the ProDoc but not in the WP&S itself supports the view that it was external pressure that stopped the inclusion of IWRM in the WP&S. No results or indicators were attached to any of the components in the WP&S ProDoc, nor were the activities in the ProDoc clearly linked to the activities and content of the WP&S. For example, the ProDoc freshwater activities consisted of support for IWRM, which was not mentioned in the WP&S. Consistent with the Australian government's concerns about UNEP's capacity, and the small number of UNEP freshwater staff, implementation of the ProDoc was through a Danish-funded and based centre, which became the UNEP Collaborating Centre on Water and Environment, referred to as "UCC".

9.5 Work plan

9.5.1 Description

No work plan was attached to the WP&S, nor was a timeframe for delivery of the listed outputs. The WP&S ProDoc "Support to the Implementation of the UNEP Water Policy and Strategy" does not have a work plan, stating that biannual work plans would be developed (UNEP, 2002–2008). There was an internal implementation plan for the WP&S, which set out "Selected Benchmarks/Expected Outputs" (p1, UNEP WP&S, 2000b). It also assigned lead responsibilities for the outputs, but no dates for delivery or indicators or targets were set. An output of "Establishing of milestones and benchmarks" was set under each of the

three implementation categories of Assessment, Management and Co-ordination, but no documentary evidence was found that such milestones or benchmarks were set.

9.5.2 *Comment and Assessment*

The lack of a work plan and of an adequate implementation plan was a major flaw inconsistent with good development aid design which meant, for example, that no assessment was performed of the feasibility of carrying out the activities and delivering the outputs listed in the WP&S. Further, while work plans or their equivalent should be consistent with the activities and outputs, the internal implementation plan outputs were not directly linked to the outputs in the WP&S. In addition, the internal implementation plan had activities and outputs that were not in the WP&S. For instance, the implementation plan refers to Integrated Water Resources Management, guidelines for equitable sharing of freshwater resources, conflict resolution, water pricing and polluter pays principle, all areas that were excluded from the freshwater part of the UNEP WP&S.

9.6   Budget

9.6.1 *Description*

There was no budget or reference to budget implications in the WP&S. The WP&S implementation support ProDoc signed in early 2002 had an initial budget of US$1,317,676, with US$170,544 of this coming from UNEP and the rest from the Danish Government. By the time of the eighth revision of the ProDoc in August 2008, the total budget had increased to US$5,183, 623, with US$535,824 of this coming from UNEP. This budget was primarily for freshwater components of the UNEP WP&S. While there was some support for other components of the WP&S in this budget, the vast majority of funding for such components came from their own resource mobilisation mechanisms.

9.6.2 *Comment and Assessment*

The WP&S should have included a budget reflecting the level of resources that UNEP could have realistically mobilised, which also would have helped UNEP to prioritise activities and outputs. The budget in the WP&S ProDoc was equivalent to an average of about US$700,000 per year, which was very small compared with the list of outputs. Moreover, the budget in the WP&S ProDoc was not directly linked to outputs in the WP&S so that the cost of outputs could not be identified. The low proportion of the budget that came from UNEP's core funds, US$535,824 out of US$5,183,623, is evidence of the small proportion of UNEP's core budget that was available for activities. Australia's warnings about UNEP capacity to deliver were supported by internal UNEP comments such as: "If UNEP does not have the resources to play a major role in freshwater, we should say so" (p1, UNEP WP&S, 1999).

9.7   Management and Co-ordination

9.7.1   Description

No management or co-ordination arrangements for the UNEP WP&S were included in the document. One UNEP freshwater manager was designated as 'Co-ordinator' of the UNEP WP&S, but this officer, while responsible for leading the development of the WP&S and for reporting on its implementation, had no management or budget authority outside the freshwater component of the WP&S. Indeed, no single UNEP manager had overall responsibility or authority for UNEP's water activities, in direct contrast to the situation up until 1998, when there was one director responsible for all UNEP water activities. (UNEP was restructured in 1998 and changed to a functional structure, with water and other staff allocated to different divisions.)

Study of the internal WP&S implementation plan indicates at least 10 other managers listed as having roles in the management of the UNEP WP&S, with at least three of them senior to the WP&S co-ordinator and six others of the same grade (UNEP WP&S, 2000b). Thus, the WP&S co-ordinator's role was primarily as a negotiator. While internal and external concerns about the content of the WP&S increased, there was no change to the management arrangements for the WP&S, despite written concerns to the UNEP Executive Director from some governments, such as Canada and Australia. These concerns reached such a level that UNEP dispatched senior staff to Canada and Australia to address the concerns of these governments.

9.7.2   Comment and Assessment

The lack of clearly elaborated management arrangements for the UNEP WP&S resulted in a protracted negotiation-debating process for the preparation of the WP&S. It also contributed to the lack of a coherent management response to problems that arose in the preparation of the WP&S.

While internal discussions continued to indicate substantive concerns about the drafting and as written government criticisms mounted (including directly to the UNEP Executive Director), UNEP management took no action to address the issues with the WP&S, despite comments like these from Australia:

> The draft water policy document does not reflect any Governing Council decisions taken recently, or an understanding of UNEP's role with respect to member governments. The policy as it is currently shows UNEP as a marginal, inactive agency in the field of freshwater management. It does not display clear links the international water scene or the role that UNEP should properly play (p4, Australia, 1999).

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This passivity suggests a lack of leadership by top management in UNEP, including insufficient commitment to results-based management.

9.8 Risk Assessment

9.8.1 Description

There was no risk assessment in the UNEP WP&S, the WP&S ProDoc or the internal implementation plan.

9.8.2 Comment and Assessment

This was a major omission, not least as internal comments identified a number of risks, including the lack of adequate financial resources.

9.9 Monitoring and Evaluation

9.9.1 Description

The UNEP WP&S Monitoring and Evaluation section refers to carrying out regular reviews of the WP&S in general and to reviews of specific components of the WP&S. However, there were no indicators or targets against which to review implementation in either the WP&S or the WP&S ProDoc. The section on monitoring in the WP&S ProDoc mentions financial monitoring and reporting, without any reference to monitoring the achievement of results.

UNEP provided reports to the UNEP Governing Council but these were general narrative reports and not results based. For example, in a progress report to the Governing Council (GC) in February 2007, section III-B-c-(i) refers to the preparation of national IWRM plans, but there is no indication of whether these plans were being implemented (UNEP GC/24/4, 2006a). Reports on progress generally referred to the activities undertaken, but not to the impact of the activities (UNEP-UCC, 2003).

9.9.2 Comment and Assessment

The WP&S M&E approach was inconsistent with standard good practice because it was not results focused; for example, it did not include indicators or targets. Nor is there any evidence that any remedial actions were identified or taken in WP&S implementation. Reporting took place annually and there was no indication of internal quarterly progress assessments.

9.10 Summary of Case Study Effectiveness

Table 9.1: Project Effectiveness Criteria Indicator Scores

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project. 2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results 3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.	▪ 1 ▪ 1 ▪ 1
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design). 5. Strategy consistent with problem statement & key national processes linked to the drivers of the problem 6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme management & oversight structures. 7. Programme/Project is integrated into relevant Government or regional processes & institutional mechanisms. 8. Strategy is consistent with EDP good practice, e.g. as contained in relevant UN EDP guidelines. 9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	● 1 ● 1 ● 1 ● 1 ● 1 ● 1
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	● 1
Outputs & Activities	11. Outputs included are short-term environment & development results to be produced within the project timeframe & budget and are consistent with the outcome. 12. Activities describe actions needed to obtain the stated outputs & are	● 1 ● 1

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	consistent with the Outputs that need to be produced.	
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	▪ 1
Budget	14. Budget sufficient to pay for activities & outputs.	▪ 1
	15. Budget is broken down by activities and/or outputs	▪ 1
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination between different components & implementing agencies.	• 1
	17. Ministries of Planning/Finance lead or co-lead the process.	• 1
	18. Government steering and/technical committee chaired by lead ministry responsible for programme/project.	• 1
	19. Reflect capacity of Government & other partners.	• 1
Risk Assessment	20. Risks to achievement of desired outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	▪ 1
Monitoring & Evaluation	21. Results-based (rather than activity or output focused) quarterly & annual monitoring included	▪ 1
	22. Progress reports are responded to with remedial actions implemented, documented and reported against.	• 1

Table 9.2 Evaluation Criteria Summary Scores

Criteria	Score
Situational Analysis	▪ 1
Strategy	● 1
Outcome	● 1
Outputs & Activities	● 1
Work plan	▪ 1
Budget	▪ 1
Management & Co-ordination Arrangements	● 1
Feasibility, Risks & Sustainability	▪ 1
Monitoring & Evaluation	▪ 1

Overall effectiveness: Poor

The 'Poor' rating for the UNEP WP&S reflects that by all evaluation criteria, it was inadequately designed and implemented.

Ironically, considering the very large amount of time that was spent in preparing the UNEP WP&S, plus the concern of some key donors, UNEP's water activities did not require the WP&S to proceed. All elements of the WP&S, including UNEP's freshwater work, already has sufficient legislative authority to proceed. Another reason why the WP&S was not necessary is that almost all of the budget resources for UNEP's water activities came from extra-budgetary resources and their use did not require the approval of the UNEP Governing Council, only that of the donors who provided the funds.

Inadequate management at different levels was a major factor, ranging from a lack of clear management authority being granted to the manager co-ordinating the WP&S preparations, to the relative passivity of UNEP management in the face of mounting problems with the WP&S preparation and content. One explanation for this is the lack of a strong RBM culture.

UNEP did not demonstrate the characteristics of a learning organisation through the WP&S development process. Despite many internal and external comments, including from generally UNEP supportive governments like Canada and Australia, the final version of the WP&S content did not reflect this programmatically valid input. This is an important reason why the WP&S did not reflect international endorsed standard good practice for successful freshwater management. This good practice includes the application of IWRM, the use of integrated environmental-economic approaches, the reform of water management institutions and the application of multi-criteria decision-making approaches. Moreover, due to the internal decision not to challenge the unjustified objections of Egypt and Turkey, the WP&S in its final form essentially ended UNEP's substantive involvement in transboundary freshwater management issues, an area in which it had demonstrated a comparative

advantage. In addition, it ended UNEP's increasing focus on the economic impacts and causes of unsustainable freshwater management and on the use of economic approaches to improve the management of freshwater resources. As the Australian government stated: "the policy as it is currently shows UNEP as a marginal, inactive agency in the field of freshwater management" (Australia, 1999). While these comments were made on drafts, the final version of the WP&S does not invalidate the statement.

10 CASE STUDY 6: THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY REGIONAL STRATEGIC ACTION PLAN FOR INTEGRATED WATER RESOURCES DEVELOPMENT AND MANAGEMENT 1998–2004 (RSAP).

10.0 Introduction and Background

Formal Title: The Southern African Development Community Regional Strategic Action Plan for Integrated Water Resources Development and Management in the SADC Countries 1998–2004 (RSAP) (SADC, 1998).

This case study is of the largest freshwater programme in the world, described as:

> [A] unique experiment in international co-operation directed at achieving an integrated approach to water use development and management crossing borders and river basin boundaries –it has no parallel on this scale anywhere in the world (p8, SADC, 2005).

As indicated in the introduction, a key role of the United Nations (UN) is influencing national, regional and global bodies and initiatives so that they also address Environment-Development Problems (EDP) and other development issues. Therefore, this case study of a non-UN led programme is chosen to help assess the effectiveness of the UN when it is substantially contributing to, but not leading, a programme to address EDPs.

The Regional Strategic Action Plan (RSAP) was initiated and led by the Southern African Development Community (SADC). The UN had key roles in providing substantive technical advisory support in its planning and implementation, funding the programme manager, plus for some years leading the co-operating partners group consisting of the UN and donor representatives. Donors provided almost all of the RSAP funding and substantive advisory support.

The first phase that ran from 1998 to 2004 is the subject of this case study. Like the UN, SADC is an intergovernmental organisation (IGO) launched by the SADC Treaty and Declaration of August 1992 whose members are: Democratic Republic of the Congo (DRC), Tanzania, Malawi, Zambia, Zimbabwe, Botswana, Angola, Swaziland, Lesotho, Namibia, South Africa, Mozambique, Madagascar, Mauritius and Seychelles. The SADC mission and treaty provide the umbrella framework for the RSAP. The SADC mission is:

> [T]o promote sustainable and equitable economic growth and socio-economic development through efficient productive system, deeper co-operation and integration, good governance and durable peace and security, so that the region emerges as a competitive and effective player in international relations and the world economy (p1, SADC, 2012).

The revised SADC Treaty includes specific references to poverty and environment. For example, the amended Treaty lists under Article 5 Objectives, efforts to:

    a. promote sustainable and equitable economic growth and socio-economic development that will ensure poverty alleviation with the ultimate objective of its eradication, ….

    g. achieve sustainable utilisation of natural resources and effective protection of the environment (Article 5, SADC, 2001).

As the SADC region includes 15 shared watercourses, a key legally binding instrument is the original 1995 and revised 2000 SADC Shared Waters Protocol, which came into force in 1998 and 2003 respectively, with the RSAP including a substantive focus on implementing the Protocol (SADC, 1995, 2000; Halco-Johnston et al., 2004). The original Protocol was designed to promote:

> co-ordinated and environmentally sound development of the resources of shared water course systems in the SADC region in order to support sustainable socio-economic development (p1, SADC, 1995).

Environmental issues were also referred to in Clause 3, requiring that member states:

> maintain a proper balance between resource development for a higher standard of living for their peoples and conservation and enhancement of the environment to promote sustainable development (p5, SADC, 1995).

Included in Clause 6 was the commitment to equitable use between states as well as use consistent with protection of the environment (SADC, 1995). The Protocol requirement to apply the concept of equitable use, combining hydrological and economic elements, was an additional signal that integrated environmental-economic approaches to water management would need to be taken by member states. Such an approach is entirely consistent with the application of integrated water resources management (IWRM). The Protocol was revised in 2000, with more detailed references to equitable and sustainable use, environment, policy and legal harmonisation than in the earlier version (SADC, 2000).

The RSAP developed out of the growing recognition within SADC of the importance of water for regional development and integration. In 1996 SADC formed the SADC Water Sector and established the Water Sector Co-ordinating Unit (SADC-WSCU) out of the SADC Environment and Land Management Sector (SADC-ELMS), which had included water issues, both based in Maseru, Lesotho. Before the RSAP was developed, the prime responsibility of the SADC-WSCU was supporting and monitoring implementation of the shared waters protocol referred to above. Drafting of the RSAP took place in 1997–1998, with the RSAP approved by SADC water ministers in 1998. A round table conference with co-operating partners was held in Geneva at the end of 1998 that broadly accepted the

RSAP, but sought a number of changes on which basis commitments in principle for funding were made.

While the RSAP was a SADC initiative, co-operating partners (donor agencies, development banks and the UN) played a key role. They provided comprehensive technical advisory and management support plus almost all of the funding. As a result of their very substantive role, SADC established a Water Sector Reference Group (WSRG) made up of co-operating partners as the forum for their input to the implementation of the RSAP. The RSAP had a target budget of US$123m, with most of the funds provided by aid agencies such as the Department for International Development (DFID) and the European Union (EU). The UN Development Programme (UNDP) provided financial support for the preparation of the RSAP, the co-operating partners' round table conference in Geneva and the RSAP Programme Management Unit. In addition, UNDP provided technical advisory support and chaired the WSRG up to and including 2005. The UNDP Resident Representative provided on-going substantive input to the overall management and implementation of the RSAP, though the level of this input tended to vary depending on the individual holding the post, which changed at least twice from 1998 to 2004. The UN Environment Programme (UNEP) provided substantive technical advisory support to the design and implementation of the RSAP, but no cash contributions.

The RSAP was designed to run from 1999 to 2004. A mid-term review (MTR), carried out in 2004, was the most substantive evaluation of the whole programme. A "Lessons & Best Practice" of RSAP 1, a much less-detailed review of progress, was published in 2005 (SADC, 2005). The MTR was the basis for restructuring the RSAP in 2005, whereupon it became RSAP 2, which ran from 2005 until 2010. RSAP 3 was designed to run from 2011 until 2015. This case study assesses RSAP 1.

Description, Comment and Assessment of the Case Study

As the RSAP is a SADC document, it does not follow the UN project design format. In assessing the RSAP, the emphasis will be on whether the RSAP contained the essential elements of a good project design, even if a different format was used.

10.1   Situational Analysis

10.1.1 Description

The RSAP did not have a separate situational analysis, with the equivalent of a situational analysis distributed over the following chapters: 1: Context of the Strategy; 2: The Present Situation; 3: The Importance of Water Resources in the Regional Economy; and 4: Water Resources Issues. These chapters included the global water management context, the SADC

political context and the hydrological situation in addition to SADC water policy and legal, environmental and economic aspects.

10.1.2 Comment and Assessment

While the situational analysis has good coverage of a number of key elements, including the Protocol, there were important gaps. Despite considerable reference to environment from a protection perspective, the RSAP does not adequately address the links between environmental sustainability and maintaining or enhancing the economic benefits of water use. While there is mention of the economic importance of water, this is not taken further to refer to economic inefficiencies in water use as part of the problem in the SADC region and how improvements in this area will help achieve broader SADC objectives such as food security and poverty reduction. For example, irrigation economic and technical efficiencies are low in the SADC region, with water losses of 40% to 60% reported (Chikoko, n.d.). This omission occurred despite the SADC Treaty, Mission and Protocol referring to environmental and economic aspects as well as the SADC priority of poverty alleviation.

Although there is reference made to higher-level SADC development objectives and an overview of water resources, there is no explicit analysis of political-economy issues such as the dominance of heavily subsidised water use by the agricultural sector or the strategic risks posed by existing patterns of water use in the SADC region, including the potential for increased competition over water resources.

The analysis of key institutional, policy, planning and implementation processes is weak. For instance, there is no analysis of whether or not the existing SADC water sector structures at regional and national levels were appropriate for implementation of the RSAP. While there was reference to capacity constraints at the level of national water institutions, there was inadequate analysis of the implications of these constraints for the design and implementation of the RSAP, despite national level activities being a key component of the RSAP.

The gaps with respect to economic and environmental aspects were identified by UNDP and UNEP in the draft versions of the RSAP. UNEP urged an enhanced analysis of water economic issues in the RSAP and questioned the RSAP's statements justifying continued water subsidies for irrigation in a situation of growing water stress, as well as the RSAP's rejection of the use of pricing to improve allocative efficiency (UNEP RSAP, 1998a). UNEP also highlighted the serious economic implications of SADC statements such as: "Many crops could not support economic water charges at current prices", which implied a serious economic and technical misallocation of water in the SADC region (p3.19, RSAP, 1998).

UNEP and UNDP jointly recommended modifications to the RSAP to include substantive analysis of economic issues and environment-economic linkages. They submitted suggested modifications to sections of the draft RSAP and followed up with discussions with SADC supported by some key donors, including the EU, but to little effect. Despite the summary table of issues, constraints and strategic objectives referring to key economic issues, the final version of the RSAP largely avoids substantive discussion of said issues, including water pricing for improving allocative efficiency. For example, the RSAP Summary report states that "SADC member states have a number of options to increase the economic contribution to their economies" but went no further than recommending that "as a priority, all planning authorities include a systematic analysis of demand side options" (p23, SADC, 1998b).

The explanations for these weaknesses in the situational analysis are varied. Almost all those drafting the RSAP and responsible for its implementation were civil engineers with little or no training in economics. There was an adequate understanding of the value of promoting environmental protection among SADC staff, but a poor grasp of the concept of how environmental sustainability could help achieve development goals such as poverty alleviation. Though not included in the situational analysis, there existed significant political-economy issues related to water in the SADC region that influenced the drafting of the RSAP. For instance, there was reluctance among SADC political leaders to address difficult issues such as water pricing or use efficiency in the agriculture sector and a preference to put most emphasis on infrastructure investments, while SADC staff consistently reflected these higher-level political-economy factors.

Another gap in the situational analysis was the lack of adequate reference to the importance of inter-sector linkages in addressing water issues or how to reflect these linkages in the RSAP, despite being identified as a constraint by SADC. This gap was noted by the MTR, which referred to the need to make cross-sector policy and institutional changes and highlighted the links between the water, agriculture and energy sectors (Halco-Johnston et al., 2004).

In summary, the situational analysis failed to adequately examine the problem and its causes, relevant higher-level issues or water policy and institutions, particularly at the national level.

10.2   Strategy

10.2.1 Description
There was a highly participatory approach to the preparation of the entire RSAP. Rather than establishing a separate strategy section to guide implementation, the RSAP sets out elements of a strategy under "Regional Strategy Implementation and Management", though

this 1.5-page section is very general. The RSAP states, *inter alia,* that the SADC Secretariat will be responsible for regional elements of the RSAP and that national or transboundary elements will be the responsibility of national states, with support from the SADC Secretariat (the SADC Water Sector Co-ordinating Unit or WSCU). However, the RSAP does not set out a strategy regarding how to ensure that national elements of the RSAP would be implemented. It further states that the WSCU will require strengthening.

It was not until late 2003 that SADC had what was referred to as the implementation strategy for the RSAP, which was five years after the RSAP had been approved by member states (SADC, 2003a). As this focused heavily on implementation experiences, challenges and management arrangements, it did not adequately fulfil the requirements of a strategy.

It is necessary to study different sections of the RSAP to identify the elements of the RSAP strategy, which essentially consisted of identifying issues and constraints, strategic objectives to address these, then proposing programmes or projects (referred to as 'interventions') to achieve the objectives.

SADC identified seven water-related "Issues and Constraints": (1) Legal and Regulatory; (2) Institutional Strengthening; (3) Sustainable Development Policies; (4) Information Acquisition, Management and Dissemination: (5) Awareness Building; (6) Education and Training; and Public Participation; 7) Infrastructure (p38-44, SADC, 1998b).

Each of these seven had a number of sub-headings with additional and more specific issues and constraints. For example, under "Legal and Regulatory" were sub-headings of "National and comprehensive water laws", "Enforcement", and "International Treaties", with a total of ten issues listed under these three sub-headings. Under "Sustainable Development Policies" appeared "National macro-economic criteria", with issues and constraints including "Promote cost effective interventions", "Economic instruments for regulatory controls", and "User charges for water and pollution taxes" (p38-44, SADC, 1998b). Altogether 36 issues and constraints were listed.

These "Issues and Constraints" were then used to identify seven sets of "Strategic Objectives" which were well aligned with the issues and constraints: (1) Improve the Legal and Regulatory Framework at the National and Regional Level; (2) Improve National and Transboundary River Basin Management, Planning and Coordination; (3) Strengthen Linkages between Macro-economic, Social and Environmental Policies; (4) Improve Information Acquisition, Management, and Dissemination; (5) Support Awareness Building, Education and Training; (6) Promote Public Participation; (7) and Invest in Infrastructure (SADC, 1998b; Halco-Johnston et al., 2004). Under each strategic objective appeared a series of intermediate objectives. For example, under Strategic Objective 3 was listed (1)

Shift water use to most efficient use based on economic values; (2) Establish cost recovery mechanisms; (3) Balance water resource demand and supply; and (4) Conserve water resources (p36, SADC, 1998b; p32, Halco-Johnston et al., 2004).

While these "Issues and Constraints" and "Strategic Objectives" did not identify an overall strategic objective, they did refer to the key elements needed for the achievement of economically and environmentally sustainable water use consistent with poverty alleviation, IWRM and implementation of the Protocol. The "Issues and Constraints" and "Strategic Objectives" were the basis for developing a list of 44 proposed projects to meet the objectives and address the issues (SADC, 1998b). Following presentation of the RSAP and the proposed projects to the Round Table Conference in Geneva in December 1998, 31 projects were chosen for implementation. (See "Outputs and Activities" below.)

A core part of the implementation strategy was for the WSCU to subcontract the design, management and implementation of the 31 RSAP projects to regional and national entities, which in turn either hired consultants or carried out the work themselves. The existing SADC Water Sector consultation and co-ordination arrangements were also key elements of the strategy for implementing the RSAP. (See "Management" below.) A prominent feature of these arrangements was their focus on water-related institutions at the regional and national levels.

Two key events occurred during RSAP implementation that had a major impact on RSAP implementation strategy. The first was the major restructuring of the SADC Secretariat announced in March 2001 that resulted in the abolishment of individual sector-based units (such as the WSCU), whose functions were then divided amongst four new Directorates, all based in Gaborone, Botswana. These Directorates were: 1) Trade, Industry, Finance and Investment; 2) Infrastructure and Services; 3) Food, Agriculture and Natural Resources; 4) Social and Human Development and Special Programmes. The WSCU was renamed the Water Division and placed under the Directorate of Infrastructure and Services, following debate over whether it should be in the Directorate of Food, Agriculture and Natural Resources (FANR).

The second major event to impact the implementation of the RSAP was the development and approval of the SADC Regional Indicative Strategic Development Plan (RISDP) (SADC, 2003). The RSAP was now, in effect, a subordinate programme under the RISDP. As the RISDP set forth outputs and targets for the water sector, it was necessary to assess the alignment of the RSAP projects with the RISDP and make any required adjustments. While this realignment presented an opportunity to extend the RISDP's clear focus on poverty alleviation to the RSAP, this opportunity was not taken.

10.2.2 Comment and Assessment

The strategy section of the RSAP was much too general and focused more on management issues. Other sections were lacking in discussion of strategy as well. The failure to include an adequate implementation strategy in the RSAP was a fundamental omission and the fact that it took five years to develop an implementation plan worsened the consequences of this omission. As the RSAP mid-term review (MTR) states:

> The representative of DANIDA speaks for many of the donors in saying that it is strange that there is no single coherent logical implementation strategy and plan for the RSAP, bringing all the strands of the RSAP together and representing a single reference document on which all activities are centred (p70, Halco-Johnston et al., 2004).

Given that the RSAP is a strategic action plan, it should have been the implementation plan for a higher-level SADC water strategy. However, SADC did not have a water strategy until 2007 or a higher-level strategic plan for the region until the RISDP in 2003. The absence of a SADC water strategy to guide the RSAP strategy and broader content contributed to inadequate strategy in the RSAP overall. According to the RISDP:

> One of the most pressing challenges is the development of a policy and strategy that will not only provide a longer-term perspective for the development and management of the Region's water resources, but also guide and give strategic direction to short-medium term interventions such as the RSAP (p28, SADC, 2003).

This absence of a higher-level SADC water strategy meant that it was even more important for the RSAP to have a comprehensive strategy to reflect the higher-level SADC objectives of regional economic integration and poverty reduction. Given that the RSAP was based on addressing a series of water sector constraints and issues, this was not an adequate substitute for a strategy.

While the Shared Waters Protocol recognised the strategic nature of water issues in the SADC region, this recognition was not reflected in the RSAP. For example, the failure to include a focus on the links between water and other strategic issues in SADC was a major omission. As the World Bank wrote in a letter to the MTR team:

> Currently there does not seem to be much of a perspective or analysis of the strategic role of water and the development of water infrastructure etc in the region, how water relates to strategic regional growth plans, regional food security etc. (p69, Halcro-Johnston et al., 2004).

The recommendation in the MTR that the SADC Water sector should "formulate a Regional Integrated Water Resources Development Master Plan for the SADC Region" (p100, Halcro-Johnston et al., 2004) supports the view of the inadequacy of the strategic approach and content of the RSAP.

The SADC strategy focused on working with SADC regional and national water mechanisms and agencies yet did not include working with ministries of planning or finance or sectors like agriculture. This approach implied that water issues could be addressed through the water sector itself. The failure to take a cross-sector approach in the strategic design and implementation strategy for the RSAP was a serious flaw, as water has many links with other sectors, and occurred despite the RSAP's identification of poor co-ordination with water-relevant sectors as a significant constraint (SADC, 1998, 1998b). This limitation was signalled in the Regional Indicative Strategic Development Plan (RISDP), which referred to weak inter-sector linkages in SADC work (SADC, 2003), and also reflected within the SADC Secretariat. Here it was found that the WSCU and Environment and Land Management Sector (SADC-ELMS) unit had little co-operation in the preparation of the RSAP, despite the obvious linkages between the work of the two sectors and the fact they were located in the same city.

The SADC restructuring caused serious disruption of on-going SADC programmes like the RSAP that lasted over two years: "There is universal agreement that the restructuring of the SADC secretariat has had a negative impact on the implementation of the RSAP" (p65, Halcro-Johnston et al., 2004). Co-operating partners had identified the risks posed by restructuring and urged senior SADC management to take steps to minimise this disruption, but there is no evidence that any effective steps were taken.

Against the advice of co-operating partners, the Water Division was placed under the Infrastructure Directorate instead of the Food, Agriculture and Natural Resources Directorate (FANR). Co-operating partners objections were based on water issues being much more than an infrastructure and services issue and the need for an integrated approach to water management, which would be better reflected in the FANR directorate. An additional reason was that agriculture water use was a key issue. Finally, co-operating partners reasoned that this shift did not send a good signal in terms of SADC commitment to integrated water resources management, but instead confirmed concerns that RSAP implementation was focusing too much on engineering aspects as opposed to an IWRM perspective. Following the SADC decision, co-operating partners continued to express concerns, on occasion jointly and strongly, with somewhat heated discussions at one WSRG meeting. Nevertheless, SADC did not make any substantive response to these concerns and the Water Division remained under Infrastructure Directorate (UNEP RSAP, 2001; 2001a; 2004).

The failure of the RSAP to include any significant focus on economic elements in its strategy or projects also meant that it neglected to acknowledge how addressing water issues could help achieve the SADC priority of poverty alleviation. This omission is reflected in

the MTR's recommendations to improve the focus of the RSAP, the Water Division and the broader SADC Water Sector on poverty alleviation. For example, the MTR identified the links between the different RSAP projects and poverty reduction: "Within the RSAP-IWRM a number of projects, if properly realigned, have the potential to promote direct and/or indirect poverty alleviation" (p7, Halcro-Johnston et al., 2004).

As the MTR pointed out, a number of the outputs were "entirely the prerogative of Member States, over which the SADC Secretariat and Water Division have no control" (p36, Halcro-Johnston, 2004), and a key assumption behind the implementation strategy was that SADC national states would discharge the RSAP responsibilities they had signed up to deliver. However, it was not clear from the RSAP how implementation of elements dependent on national governments would be assured. As it turned out, there was considerably uneven delivery of national commitments, largely due to the fact that RSAP activities were not adequately integrated into member state water plans and budgets. This was a wider problem affecting other SADC programmes, as the RISDP stated with respect to all RSIDP programmes:

> Member States' implementation is still behind schedule. The majority of MS did not set aside resources for planning and implementation of RISDP programmes at national level. The SADC National Structures – where they were created – did not possess the requisite capacity to co-ordinate the implementation of the RISDP programmes (p13, SADC, 2011).

Steps to help ensure that national governments meet their commitments should have been identified and included in the RSAP strategy to increase national delivery. If the situation analysis had concluded that national delivery was unlikely to be adequate, then the RSAP should have focused on regional activities and minimised activities that relied on national delivery.

Another national implementation issue was that national water sector capacities varied widely within the SADC region. While a small number of SADC countries had very good capacity, most had major capacity constraints. The RSAP strategy needed to reflect these differences, but it did not. For example, the resourcing and implementation time estimates for the project to harmonise national water policy and legislation needed to reflect capacity building and other issues in individual SADC states.

In summary, SADC adopted a highly consultative process in developing the Regional Strategic Action Plan (RSAP) consistent with its SADC structures and commitment to consensus building. However, the strategy was not consistent with addressing SADC water issues or achievement of higher-level SADC objectives such as poverty reduction. Nor was the implementation strategy sufficiently integrated into the national processes necessary for

addressing the national-level elements of the problem, including the national PRSPs or water sector processes. At both the regional and national level, the RSAP did not take a cross-sector approach or calculate the economic development benefits of more sustainable water management, even though the SADC priority is poverty reduction. Nor was any attempt made to target the ministries responsible for national development. Overall, the strategy was not consistent with EDP or broader development aid good practice. Co-operating partners identified many of these concerns during the development and implementation of the RSAP, but SADC by and large did not incorporate these inputs.

10.3   Outcome

10.3.1 Description

The RSAP does not state a specific desired outcome. It indicates that the purpose of the RSAP is to attain the objectives of the SADC Water Sector Co-ordination Unit and the SADC overall objective:

> It is clear that water is crucial to SADC's overall objective of regional integration. Recognising its importance, the SADC established the Water Sector Coordination unit in large part, to attain 'the sustainable integrated planning and management of water resources that contribute to the attainment of SADC's overall objective of an integrated regional economy on the basis of balance, equity and mutual benefit for all member States.' Establishing a regional integrated water resources development and management strategy is essential to achieving these objectives (p4, SADC, 1998b).

The MTR states that the objective of the RSAP was:

> to create an enabling environment for joint management of the regional water resources and as such, the RSAP was meant to lay the institutional and enabling basis for execution of hard infrastructure projects and development initiatives (p2, Halcro-Johnston et al., 2004).

The RSAP defines seven strategic objectives with a series of sub-objectives under each objective, as discussed under the "Strategy" section. The RSAP did not have a logframe.

10.3.2 Comment and Assessment

To be consistent with good development aid practice, there should have been a results-based outcome stating the changes that the programme sought to bring about. Likewise, the objectives should have been results based with associated targets and indicators included in a logframe.

10.4   Outputs and Activities

10.4.1 Description

Forty-four proposed projects (called interventions by SADC) were identified to address the "Issues and constraints", with 31 of the proposed projects chosen. These were set out as a

list, not in a logframe as outputs and activities with indicators and targets. The procedure for designing delivery outputs was to prepare project concept notes (PCNs) and then full project documents for each project. Note that most of these projects were in fact major programmes consisting of a number of projects. For example, Project 10 'Develop and Implement National Water Sector Strategies' involved preparing such strategies in eight countries. Table 10.1 lists the 31 RSAP projects and gives a good indication of the comprehensive and ambitious nature of the RSAP.

Table 10.1   RSAP Projects

SECTOR & PROJECT
Legal/Regulatory
1.   Regional Guidelines for Review and Formulation of Water Legislation
2.   Regional Guidelines for Dam Safety Legislation and Procedures
Institutional Strengthening – including River Basin Management
3.   Capacity Building for Joint Integrated Basin Management
4.   Consultative Forum on Water Issues
5.   Programme on Water Supply and Sanitation for SADC Region
6.   Guidelines for Ground Water Management Programme in SADC
7.   WSCU Capacity Building Project
8.   Implementation Programme for SADC Protocol on Shared Watercourses
Linkages with Sustainable Development Policies
9.   Regional Guidelines for Water Policy and Review in Member-States
10.   Develop and Implement National Water Sector Strategies
11.   Establish Regional Water Sector Policy and Strategy
12.   Economic Accounting of Water Use
13.   Study for Expanding Private Sector Participation in Water and Sanitation Services
Information Acquisition and Management
14.   Assessment of Surface Water Resources
15.   Expansion of SADC-HYCOS Project
16.   Regional Project to Control Infestation and Translocation of Aquatic Weeds
17.   Training in Surveying, Mapping and Geographic Information Systems
18.   Upgrade and Modernise Water Monitoring System for Lake Malawi
19.   Rehabilitation of Joint Monitoring Systems – Angola and Namibia
Awareness-Building, Training, Education

SECTOR & PROJECT
20. Awareness-Building for Decision-Makers
21. Involving the Media in Water Issues
22. Human Resources Development Programme
23. WATERNET
Public Participation
24. Promotion of Stakeholder Participation in Water Resources Management
25. Feasibility Study for Creating Fund to Support NGO/CBO Participation in Water Resources Management Activities
26. Programme on Means to Empower Women in Water Issues
Infrastructure Investment
27. Control and Development of Lake Malawi and Shire River
28. Study of the Navigability of the Zambezi and Shire Rivers
29. Stabilisation of the Course of the Songwe River
30. Lower Orange River
31. Integrated Basin Management Plan for the Okavango River

(Source: SADC, 1998; 1998a; Halcro-Johnston et al., 2004)

10.4.2 Comment and Assessment

The RSAP version of outputs, the 31 interventions or projects, did not indicate the results that they were to deliver or the activities needed to deliver the outputs even in a general manner. As the RSAP was a regional programme with the 31 projects to be designed through their own project documents, a detailed list of results for each project could not be expected. Nevertheless, a programme logframe should have been prepared based on the list of projects with the overall project results, outputs, activities indicators and targets.

Critically, the pruning of the 44 recommended interventions to the 31 projects approved to implement the RSAP meant that key elements of the 'Issues and Constraints' and the 'Strategic Objectives' were not included. The most prominent omissions related to economics and inadequate co-ordination between different agencies dealing with water. The economic omissions included: Issue and Constraint 3 – Sustainable Development Policies: "Economic instruments for regulatory controls" and "User charges for water & pollution taxes". Strategic Objective 3 - Strengthen linkages between Macro-economic, Social and Environmental Policies: "Shift water use to most efficient use based on economic values" and "Establish cost recovery mechanisms" (p36, SADC, 1998b).

Co-ordination omissions included: Issues and Constraints 2 – Institutional Strengthening included "Different agencies dealing with water, sanitation & pollution control fail to

integrate policy" and Strategic Objective 2: Improve National and Transboundary River Basin Management, Planning and Co-ordination included "Establish better inter-sector planning and coordination of water sector in each country" (p36, SADC, 1998b). Only one project had an economics focus, the economic accounting project and none focused on co-ordination issues.

The lack of an economic focus meant, *inter alia*, that a key strategic pillar of SADC's objective, regional economic integration and poverty reduction, was essentially not reflected in implementation of the RSAP. While the SADC Water Protocol places substantive emphasis on the concept of equitable water and benefit sharing, no RSAP project focused on operationalising the concept of equity for water management. Nor was there a focus on improving either economic or technical water use efficiency, an omission reflected in the MTR, which suggested that there should be a focus on "water use efficiency related issues right down to the end-user level" (p95, Halcro-Johnston, 2004).

Given the importance of linkages between different sectors for water management, the failure to address improving co-ordination was also a major gap. Overall, there was a disconnect between the strategic objectives and the outputs, which means that the RSAP could not attain the strategic objectives, even if all of the outputs were delivered. Moreover, it was not clear how well the choice and design of the different projects was co-ordinated so as to deliver coherent, mutually reinforcing results. The implementation strategy, prepared five years after the RSAP was approved, attempted to clarify the relationships between the 31 projects. In an effort to improve coherence, different projects were 'bundled' into groups of projects assessed to be thematically linked, but the issue of attaining coherence was not satisfactorily resolved (Halcro-Johnson et al., 2004). Thus, the disconnect between the strategic objectives and the projects plus insufficient coherence between the projects remained for the duration of the RSAP implementation.

10.5   Work Plan

10.5.1 Description

No work plan was attached to the RSAP or the RSAP summary document. The implementation strategy developed five years after the RSAP did not have a work plan. Study of progress reports and the MTR indicates that overall implementation progress was substantively slower than anticipated. The MTR reported that of the 31 projects, three were nearing completion, three more were entering full-scale implementation, 22 projects were at "different stages and scope of implementation" and project documentation was being finalised for three other projects (p51, Halcro-Johnston et al., 2004).

10.5.2 *Comment and Assessment*

The lack of a detailed project-by-project work plan in the RSAP can be justified by the fact that it is a large-scale programme. However, there should have been at least an outline work plan in the RSAP, providing a timeline for the development and implementation of each project. As soon as ministers approved the RSAP, preparation of a comprehensive implementation plan should have commenced, with annual work plans prepared alongside a more detailed RSAP work plan. Project implementation proved to be very slow, as reported by the MTR, with delays reflecting a combination of design issues, including budget and management matters.

10.6   Budget

10.6.1 *Description*

An indicative overall budget of US$123 million was submitted to the donor Round Table Conference in Geneva in December 1998. While donors were supportive of the RSAP, no firm budget allocations were made. Consequently, funds had to be mobilised on a project-by-project basis, which created a number of problems:

> [It] caused a situation where co-operating partners funding those projects that they were interested in resulting in a situation where some more deserving cases were left unfunded;
>
> The logical sequencing of projects was compromised as was programme integrity;
>
> Strategic objective tended to be lost in the mechanics of project specific individual funding, and
>
> Different co-operating patterns had different financial and reporting requirements, which burdened W[ater] D[ivision] (p2, SADC, 2006)..

The MTR recommended the "development of mechanisms for funding through a basket funding approach," however this was not established (p111, Halcro-Johnston et al., 2004).

While Project concept notes or ProDocs with a total budget requirement of about US$127m were completed by the end of 2004, at that time US$65m had been mobilised, with US$53m provided by donors and US$12m provided by SADC states (Halcro-Johnston et al., 2004).

10.6.2 *Comment and Assessment*

A more detailed budget linked to results, targets and indicators should have been included in the RSAP and presented to donors along with an implementation plan at the Round Table Conference in December 1998. This is standard good practice and would also have increased the chances of mobilising funds. Further, a proposal for the use of a basket fund linked to a comprehensive monitoring and evaluation plan should have been included in the RSAP and presented to donors. The necessity to mobilise funds on a project-by-project basis

for 31 projects took a great deal of staff time and was a key reason for the significant delays in RSAP implementation, along with management issues.

10.7   Management and Co-ordination

10.7.1 Description

A description of the broader SADC water sector management structure is necessary as this determined RSAP management arrangements. The RSAP was the responsibility of the SADC Water Sector, which consisted of a range of national and regional level planning and implementation mechanisms at both political and technical levels, plus the WSCU. The WSCU was a technical unit of the SADC Secretariat responsible for co-ordinating SADC water sector programmes and projects that reported to the Water Resources Technical Committee (WRTC), made up of senior water officials from the SADC member states, and to the SADC Secretariat. Figure 10.1 sets out the SADC Water Sector governance and management structure.

Before the RSAP, a core focus of the WSCU was monitoring and supporting the implementation of the SADC Shared Waters Protocol. To carry out this task, it had a staff of about five professionals in Maseru, plus consultants. These staff were seconded from the Lesotho civil service and remained on civil service salaries and conditions. The WSCU had no direct management authority over implementation of the Protocol or any activity except those directly commissioned and funded by the WSCU.

The additional responsibility of developing and co-ordinating RSAP implementation was a quantum leap in responsibilities and workload, yet there was no increase in staff to carry out the extra work until UNDP provided funding for a RSAP programme manager. It was recognised from the beginning that it would not be possible for the WSCU to manage the implementation of the RSAP directly. Thus, a delegated project implementation structure was established, while the WSCU maintained overall responsibility for co-ordinating and monitoring RSAP implementation consistent with the overall SADC Water Sector governance and management structure. However, clear management responsibility for the RSAP was not defined, particularly for the implementation of RSAP national-level activities.
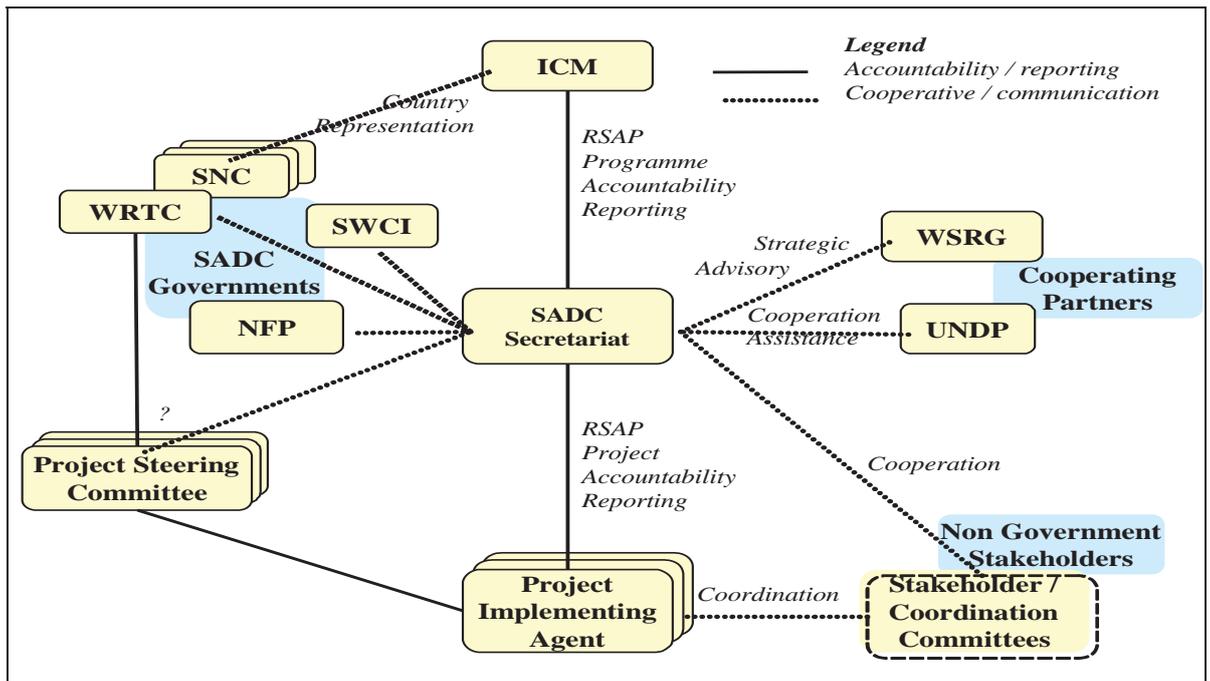
Figure 10.1 SADC Water Sector and RSAP Governance and Management Arrangements

(Source: p75, Halcro-Johnston et al., 2004)

(NFP = National Focal Point; SNC = SADC National Committee; SWCI = Shared Water Course Institutions; ICM = Integrated Council of Ministers; WSRG = Water Sector Reference Group; SADC Secretariat for water consisted of the Water Sector Co-ordinating Unit (WSCU) & then after restructuring, the Water Division (WD)).

For each project, there was a Project Steering Committee and a Project Implementing Agent (IA), with whom the WSCU/WD had a contractual agreement for delivery of each project consistent with its Terms of Reference (TOR). Project TORs were developed primarily through the Project Steering Committee and IA, with input from co-operating partners (UN and donors) on the WSRG, who in some cases played a lead role in the drafting of Project TORs. IAs volunteered to take the role; they were screened and approved by the WSCU and reported to both the WSCU and a Project Steering Committee (PSC). The question mark next to the Project Steering Committee boxes reflects that the role of the PSC varied and was not formally clarified, including with the SADC Secretariat.

A Project Management Unit was planned for each project, but this was not always established. IAs hired contractors to implement the projects and also reported to the donors who provided the funds. In addition, donors were often represented on Project Steering Committees.

The SADC senior water officials on WRTC approved RSAP project outputs, though some outputs needed higher clearance, for example, by the ministers of riparian state governments in the case of projects applying to shared water courses.

The SADC restructuring process commenced in 2001 and resulted in the abolition of the SADC sector-based structure and the establishment a more functionally based structure situated in Gaborone at SADC HQ. This restructuring took over two years to implement and led to confusion over management arrangements for the RSAP, which contributed to long delays in RSAP implementation and other SADC programmes. In addition, water sector based regional and national communication, consultation and approval mechanisms as set out in Figure 10.1 ceased to operate or were abolished under the restructuring. It was later noted that "the dissolution of existing networks of communication, without any effective replacement, has had an extremely damaging effect on the RSAP" (p65, Halcro-Johnston, 2004).

SADC assurances to co-operating partners that there would be no disruption to RSAP implementation turned out to be grossly inaccurate (UNEP RSAP, 2001). The process of staffing the Water Division was a fraught, frustrating and unresolved issue at the time of the MTR, when there were six professionals responsible for all the Water Division's (WD) work and "all on short-term contracts. Two members are seconded from Member States and the other four under technical assistance contracts" (p26, Halcro-Johnston, SADC, 2004). Donors continued to pay for the RSAP programme manager despite the fact that the RSAP was the core of the Water Division work programme. In addition, those six staff had a wide range of duties to fulfil and for RSAP co-ordination and management there were "just two persons, both of whom are likely to leave within a year unless their contracts are renewed and they are provided with security of tenure" (p69, Halcro-Johnston et al., 2004)—that is, two staff to manage the implementation of 31 projects and $65m of funds.

10.7.2 Comment and Assessment

Management and co-ordination arrangements were grossly inadequate, as they did not specify clear management responsibility or clear co-ordination arrangements between, for example, SADC and national authorities. As the MTR stated: "It would appear that there is still a lack of clarity regarding the fundamental point of whether SADC facilitates rather than implements development projectors and programmes" (p37, Halcro-Johnston, 2004). The RSAP had a number of projects that required national-level implementation by national institutions, which worsened the impact of this lack of clarity.

While it may not have been necessary for planning or finance ministers to lead or co-lead a programme of this nature, their lack of input most likely contributed to the inadequate integration of economic issues, including poverty reduction, into the RSAP. Further, the failure to involve other sectors in any meaningful way in the management and co-ordination arrangements was a major flaw. The fact that ELMS was located in the same city during

RSAP development but not substantively involved suggests a serious lack of co-ordination within the SADC Secretariat.

Concerns about the WSCU's and subsequently the WD's ability to effectively manage the implementation of the RSAP existed from the beginning of RSAP implementation. Donors repeatedly offered substantive funding to address capacity concerns while also expressing concerns about disagreement over staffing levels for the WD, delays in recruitment and the lack of SADC financial support for core WD posts, including for the RSAP programme manager. Comments from the Netherlands representative reflect donor concerns:

> We are missing the ability to implement. A SADC Job Evaluation was promised in the restructuring process. This has not been forthcoming…The slowness of implementation is resulting in an undercurrent of discontent between donors…It is now more difficult to generate more funds due to donor reluctance to commit and there is a stalemate with growing tension and frustration (p69, Halcro-Johnston et al., 2004).

A number of co-operating partners considered that the failure to address capacity issues in the WD and particularly for RSAP management were symptomatic of a wider lack of support by SADC senior management for the RSAP. For example, at the WSRG held in February 2004, the UNDP Resident Representative stated that co-operating partners were "delivering a clear message to the SADC Secretariat that they must take energetic ownership of the RSAP process" (p2, UNEP RSAP, 2004). He also highlighted the need for the RSAP to place a stronger focus on poverty reduction in the RSAP at this meeting.

Moreover, co-operating partners felt that the WD was generally not pro-active enough in implementing the RSAP. While the WSCU/WD characterised its function as that of a co-ordinator, co-operating partners desired that it take a more active role in programme management (UNEP RSAP, 2004). This difference of opinion also reflected the lack of adequate clarity of management roles and responsibilities for the RSAP. At times, the WD requested that co-operating partners, including UNDP and UNEP, take the lead in addressing management issues (UNEP RSAP, 2001). The MTR stated under the heading Proactive vs. Reactive Role: "Not only has it [WD] been seen as being most effective when it has played a pro-active and directive role but there is a requirement that this function be extended and enhanced" (p93, Halcro-Johnston et al., 2004). In essence, this insufficiently pro-active management role degraded implementation.

Another management issue, discussed in the corridors more often than openly at meetings, was that WSCU and WD staff travelled quite frequently to meetings and conferences, including conferences that were not directly related to their work, to the extent that co-operating partners considered this to be a contributing factor in RSAP implementation

delays. The unofficial view among donors was that the financial benefits from travel *per diems* constituted a significant reason for all of this travel.

Despite these repeated concerns from co-operating partners, senior SADC managers took no substantive steps to address on-going management issues with the RSAP. This inability of co-operating partners to persuade SADC to make changes even though they were contributing most of the money was a notable feature of RSAP implementation. A likely explanation is that SADC knew that donors were unlikely to end their support to the RSAP for a number of reasons. For instance, once donors commit funds, freezing or ending disbursement causes donors a lot of internal bureaucratic difficulties and may reduce future budget allocations to the relevant donor aid agency departments.

Another factor is that the higher level SADC processes and structures reflected the earlier diplomatic origins and focus of SADC, which in turn determined the structures that governed the SADC water sector and made it more difficult to put in place clear management lines and delegated authority consistent with RBM. This should have been taken into account when designing the RSAP.

10.8   Risk Assessment

10.8.1 Description
There was no assessment of risks.

10.8.2 Comment and Assessment
This was a major omission that reflected, *inter alia,* a lack of experience in programme design by SADC staff and inadequate SADC requirements for programme and project design.

10.9   Monitoring and Evaluation

10.9.1 Description
No monitoring and evaluation framework was included in the RSAP. While a discussion paper on a monitoring and evaluation strategy was prepared in 2002, no overall monitoring and evaluation framework was put in place for the RSAP as a result of that paper (SADC, 2002). Further, no M&E framework to monitor individual project progress was put in place: "there is a virtual absence of monitoring and evaluation of processes and progress during the elaboration phase (including a lack of agreed upon indicators) for measuring immediate and medium-to longer-term progress" (p92, Halcro-Johnston et al., 2004).

Individual donor support agreements included the monitoring, reporting and evaluation frameworks standard to individual donors and these became *de facto* M&E frameworks for RSAP implementation.

However, poor and delayed financial and progress reports from the WSCU/WD to donors inhibited donor monitoring. The MTR found that reports and other information needed to be distributed in a more timely fashion and that better communication with member states was required (Halcro-Johnston et al., 2004).

10.9.2 Comment and Assessment

The absence of a monitoring and evaluation framework was another serious flaw in the RSAP, reflecting poor SADC programme and project management systems, in addition to the inadequate capacity of SADC WSCU and WD staff. It is not clear why donors did not require an adequate M&E system before they committed funds.

10.10   Summary of Case Study Effectiveness

Table 10.2 Project Effectiveness Criteria Indicator Scores

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Situational Analysis	1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project. 2. Analysis of higher-level policies, institutional, political-economy etc. issues that may impact on achievement of the desired results 3. Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.	▪ 1 ▪ 1 ▪ 1
Strategy (includes implementation arrangements)	4. A participatory approach to development of Strategy (& overall design). 5. Strategy consistent with problem statement & key national processes linked to the drivers of the problem 6. Ministries of Planning/Finance lead or co-lead the process & key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme management & oversight structures. 7. Programme/Project is integrated	• 1 • 1 • 1 • 1

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
	into relevant Government or regional processes & institutional mechanisms. 8. Strategy is consistent with EDP good practice. E.g. as contained in relevant UN EDP guidelines. 9. Reflects higher-level issues that contribute to the causes of the problem and/or make addressing the problem more difficult.	• 1 • 1
Outcome	10. Outcome statement states actual or intended change the programme interventions are seeking to support.	• 1
Outputs & Activities	11. Outputs included are short-term environment & development results to be produced within the project timeframe & budget and are consistent with the outcome. 12. Activities describe actions needed to obtain the stated outputs & are consistent with the Outputs that need to be produced.	• 1 • 1
Work plan	13. Work plan provides enough time for delivery of all outputs & activities.	▪ 1
Budget	14. Budget sufficient to pay for activities & outputs. 15. Budget is broken down by activities and/or outputs	▪ 1 ▪ 1
Management & Co-ordination Arrangements	16. Arrangements specify clear responsibility for programme/project management, including co-ordination between different components & implementing agencies. 17. Ministries of Planning/Finance lead or co-lead the process. 18. Government steering and/technical committee chaired by lead ministry responsible for programme/project. 19. Reflect capacity of Government & other partners.	• 1 • 1 • 1 • 1
Risk	20. Risks to achievement of desired	▪ 1

Criteria	Indicators to assess if the Criteria are consistent with programme/project effectiveness in addressing EDP(s).	Score
Assessment	outcome & sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan	
Monitoring & Evaluation	21. Results based (rather than activity or output focused) quarterly & annual monitoring included 22. Progress reports are responded to with remedial actions implemented, documented and reported against.	▪ 1 ● 1

Table 10.3: Evaluation Criteria Summary Scores

Criteria	Score
Situational Analysis	▪ 1
Strategy	● 1
Outcome	● 1
Outputs & Activities	● 1
Work Plan	▪ 1
Budget	▪ 1
Management & Co-ordination Arrangements	● 1
Feasibility, Risks & Sustainability	▪ 1
Monitoring & Evaluation	▪ 1

Overall Effectiveness: Poor

The overall rating of poor reflects major programme design and implementation flaws in the RSAP. The combination of the Protocol with its inclusion of equity, economic and environmental factors plus the SADC priority of poverty reduction indicates recognition by SADC that water issues were both an environment and a development problem. However, the RSAP did not reflect this link despite repeated urging by co-operating partners.

The MTR concluded that despite funding and staffing issues, "the programme has made good progress" and "the original objectives…have to some extent been met" (p4, Halcro-Johnston et al., 2004). Nevertheless, the fact that only three out of 31 projects were nearly completed at the time of the MTR suggests that this conclusion is overly generous. The MTR conclusion reflects energised discussions, not least of which reflected SADC's concern about some of the content, which co-operating partners wished to retain. Essentially, co-operating partners considered that while substantive changes were necessary, on balance the RSAP was needed and should continue; a more negative report would

endanger the continuance of the programme. That is why, despite all the delays and frustrations, donors continued to fund the programme. There was a great deal of good will from co-operating partners towards the RSAP, which they considered to be innovative and displaying long-term thinking and a commitment to implement the SADC shared waters protocol, itself a world-leading transboundary legal mechanism. Thus they made great efforts to help improve its implementation.

In terms of the organisational effectiveness factors identified in the literature review, relevant factors producing this rating fall mainly under the categories of development aid design and organisational culture. The design of the RSAP was quite inconsistent with standard RBM and SADC did not display either a results-based culture or the characteristics of a learning organisation. Complexity was also a major factor: the great complexity of what the RSAP was trying to achieve was not recognised as beyond the capacity of the SADC WSCU and subsequent Water Division. A major complexity factor was the political-economy based reluctance of SADC Ministers to address underlying water economic and allocation issues, particularly in the agricultural sector. This underpinned the SADC WSCU reluctance to address the economic causes of unsustainable water use in the SADC region.

In terms of UN involvement, efforts to improve RSAP design and implementation were largely unsuccessful despite funding the RSAP programme manager, leading the co-operating partners' input and providing substantial technical advisory support. As the UN was providing limited funding, it had little leverage when compared with donors, yet very similar donor concerns were not addressed satisfactorily by SADC either. If donor conditionalities had been firmer and accompanied by credible warnings that funding would be frozen, it is likely that SADC management would have taken donor views more seriously.

11. ENVIRONMENT-DEVELOPMENT PROBLEM EXAMPLES RELEVANT TO UN EFFECTIVENESS IN ADDRESSING EDPs

11.0 Introduction

This chapter analyses examples that provide additional material to assess the effectiveness of the United Nations (UN) in addressing Environment-Development Problems (EDPs). Analysis of the examples will also help validate the findings of the case study analysis. These examples range from higher-level UN Development Programme (UNDP) and UN Environment Programme (UNEP) issues, to specific elements of a Poverty Environment Initiative (PEI) country programme. The relevance of each example to the research and its broader implications for UN effectiveness will be described.

11.1 The "UNDP Contribution to Environmental Management for Poverty Reduction: The Poverty-Environment Nexus" Evaluation Report

This UNDP Evaluation Office report focuses on UNDP's contribution to the use of environmental management for poverty reduction and, in essence, assesses UNDP's effectiveness in addressing EDPs. Additionally, this evaluation includes substantive references to the UNDP-UNEP PEI, the subject of case studies two to four, and also provides recommendations for ways UNDP can better focus on environmental management to address poverty reduction.

The conclusions and recommendations of the evaluation report are set out in full in Appendix 6. In summary, the recommendations are:

> 1: UNDP should ensure that practices follow principles. In addition to following policy and advocacy, UNDP needs to learn from good practices and replicate successes.
>
> 2: The Poverty-Environment Initiative represents good practice and should be scaled up to provide a model of how UNDP does business at the country level. It should also be used as a model for working together with UNEP and other agencies.
>
> 3: UNDP should provide guidelines and create verifiable indicators to further integrate poverty reduction and environmental protection into other UNDP operations. It must also invest in developing staff capacity.
>
> 4: UNDP must overcome the functional silos that prevent co-operation and integration between focus areas. Analysis of poverty and environment priorities should be incorporated into governance and crisis prevention and recovery, as well as gender support activities, and vice versa (p35-38, UNDP EO, 2010).

The evaluation concluded that environmental management is crucial for addressing poverty and broader development problems, which are core elements of UNDP's mission. Further, it determined that UNDP is not systematically attempting to address the poverty-environment

nexus (PEN), despite the need to do so in order to achieve its mission. The evaluation also pointed to institutional barriers, inadequate core financing and insufficient capacity in UNDP offices at the country level, all of which hinder efforts to address EDPs. Another conclusion underscored a wide variation in each country's understanding of the ways in which more emphasis on environmental management can help achieve development goals. Likewise, the evaluation report called for increased efforts to clarify the links between environmental management and poverty reduction.

These conclusions lead logically to the recommendations that will increase the effectiveness of UNDP and partners in addressing EDPs, if implemented. The evaluation report was published in December 2010. However, study of the UNDP Evaluation Office website in July 2012 indicated that of the eleven management actions agreed upon, implementation of ten was overdue and one had not been initiated.

(http://erc/undp.org/evaluationadmin/manageresponse/view.html?evalutionaid=4784)

In fact, only one output has been produced, a report in May 2012 titled "Lessons from the Poverty-Environment Initiative Countries – What Drives Progress on Sustainable Development Approaches" (UNDP, 2012). The report endorsed the PEI approach and made a number of recommendations for its wider adoption within UNDP. Discussions with UNDP staff suggest a number of reasons for the slow implementation of the evaluation recommendations. The most pressing reason appears to be the shortage of staff in key UNDP units, the Poverty Practice (PP) and the Environment and Energy Group (EEG). UNDP's EEG had one staff member focusing on poverty-environment mainstreaming, including follow-up to this evaluation and support to the UNDP-UNEP PEI, among other tasks.

Additionally, implementation of the recommendations will require UNDP country offices (UNDP COs) to allocate increased resources and to take management action, which may include restructuring, to improve the co-operation between UNDP CO environment and poverty units. However, UNDP CO priorities and budgets are under the management of the UNDP Regional Bureaux, whereas the UNDP PP and EEG are under the management of the Bureau of Development Policy (BDP). Thus, BDP has insufficient influence over the Regional Bureaux and UNDP COs unless it can provide resources to the UNDP COs. The inadequacy of UNDP CO resources to implement the evaluation report recommendations is evidenced by the fact that most UNDP COs do not have the resources to pay for an international professional officer with the necessary experience in poverty-environment issues, hence requests for the UNDP-UNEP PEI to pay for international poverty-

environment advisors within the PEI country programme budgets (UNDP Malawi, UNEP, Government of Malawi, 2008).

In summary, this example identifies barriers to UN effectiveness in addressing EDPs, provides recommendations for overcoming said barriers and confirms the validity of the PEI model for doing so. Most barriers fall under the category of organisational culture issues or faulty development aid design, for example some UN offices within the same agency appear to work in the "functional silos" cited above.

11.2   UN-Government-Donor Issues that Reduce EDP Project Effectiveness

The literature on development aid effectiveness, including UNDP programming manuals, stresses the importance of government commitment as a vital factor in project success (UNDP, 2009). This example is from a country where government commitment to support a PEI programme was adequate on paper but not in reality. It demonstrates how inadequate or surface (artefact level) commitment can lead to serious problems that degrade UN effectiveness and also contribute to the debate over donor conditionalities. Similar issues have arisen in a number of other PEI Africa countries, so the example has wider implications for UN effectiveness in addressing EDPs at the country level.

The background is that donor X offered to support new phases of PEI programmes in two countries, A and B, subject to the submission of a satisfactory proposal that, *inter alia*, reflected lessons learnt in the PEI countries. One of the key lessons was that the Planning or Finance ministry should lead or co-lead the country PEI programme. A second lesson was that investing in small-scale concrete projects like tree planting was not effective, as such projects did not address the underlying causes of EDPs.

PEI Africa worked closely with countries A and B in drafting a funding proposal to donor X which stipulated that the Planning or Finance ministry would have a leading role and that there would be minimal money allocated for pilot projects. Both countries agreed to this approach and the donor allocated a total of approximately US$6.5m for four-year projects in both countries. The next step was to develop the detailed PEI country programmes consistent with the funding agreement made with the donor.

In Country A there were no major issues in developing the country-specific ProDoc consistent with the funding agreement. However, in Country B, the Environment ministry drafted a ProDoc that was substantively inconsistent with the donor funding agreement that they had helped to prepare and had endorsed in writing. Specifically, the Environment ministry requested that approximately 25% of the proposed US$2.0m PEI country budget be allocated to small on-the-ground projects for conventional environmental activities. Second,

the Environment ministry strongly resisted having joint leadership of the PEI project with the Planning ministry. The commenting and revision of drafts went on for more than six months, including comments from PEI Africa on drafts prepared by Environment Ministries such as:

> [The draft ProDoc] inadequately focuses on poverty-environment linkages (MDG1 and MDG7). E.g. it refers to environmental awareness raising and capacity building, does not propose a joint [Environment Ministry-Planning Ministry] approach, refers to environmental conservation, instead of environmentally sustainable use of natural resources (p1, UNDP-UNEP PEI Africa, 2007).

The Environment ministry consistently resisted requests that the draft ProDoc be consistent with the donor agreement. A pattern emerged whereby the Environment ministry would agree to adhere to the donor funding agreement in the following draft and then submit another draft ProDoc inconsistent with the agreement. For example, failing to include a joint management role for the Planning ministry or indeed to draft the ProDoc jointly with the Planning ministry. PEI Africa obtained a meeting with the Minister of Environment, explained the problems and requested adherence with the voluntarily negotiated donor agreement, to which the Minister appeared to agree. It was later discovered that a senior official in the Environment ministry had inaccurately briefed the Minister on the issues and the prior donor agreement.

However, as the next draft submitted by the head of the Environment ministry was still inconsistent with the donor agreement, problems continued. A file note indicated that the draft was unacceptable, as it included requests for two vehicles, extra staff and a large proportion of the budget for small-scale pilot projects, and commented "it was a very bad sign that the PS [Permanent Secretary] was repudiating an agreement made with the Minister" (p1–2, UNDP-UNEP PEI Africa, 2007a).

The problems became so persistent that PEI Africa requested that the donor cancel the agreement with Country B. But the donor would not agree, as Country B was a priority for that donor. However, Country B did not know that the donor was unwilling to cancel the agreement, so a formal letter was sent to the Minister signed by a UN senior manager that very politely but clearly communicated to him that the donor agreement had to be adhered to or funding could not be provided. Subsequently, in a second meeting and in his formal reply to the letter, the Minister agreed to proceed as per the donor agreement (Boelcke, UNEP, 2007). The Environment ministry reluctantly accepted the views of the Minister, but continued to display an unwillingness to co-operate with the Planning Ministry or to focus on addressing the policy causes of EDPs until a new Permanent Secretary was appointed. The lack of commitment by the Environment ministry suggested that it viewed the PEI as an Environment ministry funding mechanism, not as a strategic project focused on poverty-

environment linkages that required a leadership role for the Planning ministry. Sharing the leadership role with the Planning ministry also meant that budget and budget decision-making would be shared. If the Environment ministry kept 100% control over the budget, there would be more opportunity to use funds inappropriately. The tensions also reflected that environment ministries are typically grossly underfunded and thus take a shorter-term view focused more on generating cash flow for the ministry than on a longer-term strategic perspective.

PEI Africa encountered similar problems in at least four other participating countries where environment agencies wished to use the programme as a funding mechanism for projects on the ground (e.g. tree planting) and/or resisted proper involvement of the Planning ministry. To address these problems required persistent efforts backed by robust interventions from UN managers to insist that Planning ministries must lead or co-lead and that the PEI country programmes must focus strategically on changing policies and institutional capacity building, not on small on-the-ground projects. When it was made clear to relevant government managers that the project would be ended unless the conditionalities were followed, this tactic worked in all but one country, where the project was subsequently phased out. The key lesson here is that firmly applying previously established programme or project conditionalities can work and thus improve UN effectiveness.

Another lesson is the need to determine that government is genuinely committed at different levels to the EDP programme before it is established. This commitment is particularly important at the level of the officials who will manage and implement the programme. If this commitment is not clear, there is a very strong likelihood that the programme will require a high degree of monitoring, involve substantively higher costs and ultimately fall short of stated objectives.

Further, the support of senior UN managers for firmly applying conditionalities consistent with donor and UN agreements is necessary. This support requires managerial courage, as ministers can react quite negatively to messages that conditionalities must be followed, no matter how politely these messages may be worded. In other words, designing and applying conditionalities is important, even if there are risks to this approach.

Institutional and personal rent-seeking behaviour, which is corruption in its more blatant form, is a fact of life in almost all developing countries. Rent seeking takes a number of forms, including attempts to avoid donor conditionalities for institutional or personal gain and the diversion of funds from intended use into inappropriate institutional or personal bank accounts. Low institutional budgets and very poor pay create such incentives, and environment agencies are particularly badly resourced in many developing countries. To

minimise the potential for rent-seeking behaviour, careful scoping missions and the gathering of "development intelligence" to assess the real level of government commitment is necessary. If an agreement is signed, then active monitoring of programme implementation plus the firm application of conditionalities by the UN is key.

The degree of government commitment is also a higher-level issue. Governments voluntarily sign on to a range of UN-led agreements or conventions, including the Multilateral Environment Agreements (MEAs), as well as for gender and human rights, but they are not always actively committed at different levels to the implementation of these agreements. For example, this researcher has witnessed country representatives disagreeing with steps to address gender inequality over land and other property rights, despite that their governments have signed up to UN agreements to take such steps.

In summary, this EDP example contains elements of both development aid design and organisational culture issues. The main source of conflict stemmed from organisational culture factors within the Environment ministry. The Ministry's reluctance to address the causes of EDPs was a development aid design problem but also evidence of inadequate results-based culture, as was the focus on a narrow agency agenda and possible rent-seeking behaviour. In addressing the problem, the UN displayed a commitment to results-based management, particularly through the firm application of conditionalities and managerial courage displayed by the senior UN manager.

11.3 The Norwegian Evaluation of the PEI Africa Pilot Phase and PEI Africa

This evaluation is referred to under Case Studies 1 to 4 (Bass and Renard, 2009). However, a more detailed consideration of the assessment is appropriate, as it remains the only full evaluation of the only UN programme specifically targeting EDPs. The findings apply to the PEI and also to UN strategies for addressing EDPs in general. The nine key messages and associated recommendations in the evaluation are summarized below:

Key Message 1 is consistent with the UNDP Poverty-Environment Nexus report finding that the PEI is a sound model for poverty-environment mainstreaming, along with a recommendation that it should better communicate its achievements.

Key Message 2 and the associated recommendation is:

> PEI has been careful to embed its in-country work in existing 'mainstream' development processes and institutions. …PEI should increase its emphasis on national and sector budgeting processes, by giving an even more central role to ministries responsible for finance and development, and by improving country access to high-level economic expertise and political champions for further progress (p2, Bass and Renard, 2009).

This assessment implies that in order to improve UN effectiveness in addressing EDPs at the country level, projects should not be initiated outside of national development planning processes. Further, efforts to increase national and sector budgets for addressing EDPs are needed from the early stages of EDP projects.

Key Message 3 and the associated recommendation stated:

> The PEI pilot project has been a learning and adaptive programme, shaped ultimately – if not immediately – to suit country needs. …Communicating lessons more widely would improve PEI's influence in e.g. ways to achieve the Accra Agenda and multiple MEAs together (p2-3, Bass and Renard, 2009).

This message is consistent with the literature on organisational effectiveness: an effective organisation embraces a learning and adaptive approach in addressing complex problems. This is the second recommendation to focus on communication, underscoring the importance of a comprehensive knowledge management system that documents and disseminates lessons learnt in addressing EDPs in a timely manner. Further, managers should ensure that lessons learnt are applied.

Key Message 4 and the associated recommendation stated:

> PEI has been a 'One UN' pioneer, demonstrating the benefits of and the requirements for a joint programming approach between UNDP and UNEP for environmental mainstreaming…PEI's achievements could be far greater if UNDP and UNEP heads recognise PEI's role in fulfilling their mandates and the joint UNDP-UNEP MOU, and promote this to UNCOs;…and ensure funding security for periods needed for the PEI country programmes – including for the duration of PRSP and UNDAF cycles (p3, Bass and Renard, 2009).

Thus, a partnership approach between UNEP and UNDP is appropriate for addressing EDPs at the country level. Likewise, the integration of EDP projects into UNDP CO poverty and environment work programmes is more likely to result in UNDP CO's prioritising of programmatic and financial support. Successful implementation also requires higher-level management support and funding from both agencies.

Key Message 5 and the associated recommendation stated:

> The full integration of poverty reduction and environmental objectives in-country is a long-term (10-20 year) institutional change process…. This will require funding security for PEI, but also catalysing others (notably UNDP) to play lead roles (p3, Bass and Renard, 2009).

Long-term effort is needed to address EDPs successfully at the country level. This finding of the Norwegian evaluation is consistent with the later UNDP Poverty and Environment Nexus (PEN) evaluation, which also acknowledges that UNDP is not yet structured programmatically or financially to support such a longer-term, substantive effort (UNDP

EO, 2009). Thus, some restructuring of UNDP is required. Given that PEI is led by UNDP's Environment and Energy (EEG) and Poverty Practice (PP), which are in UNDP's Bureau of Development Policy (BDP) with very limited resources, and given that UNDP's Regional Bureaux are key for UNDP programme and financial prioritisation at the country level, UNDP's efforts to address EDPs must include a much more substantive focus on UNDP's Regional Bureaux.

Key Message 6 and the associated recommendation referred to how higher-level issues such as macroeconomic policy and land tenure make poverty-environment mainstreaming difficult and recommended that PEI should at least encourage the involvement of affected groups in debates about these higher-level issues (Bass and Renard, 2009)

EDP country programmes should include a comprehensive analysis of higher-level issues and co-ordinate with other development aid projects facing similar challenges. If there are not other development programmes addressing higher-level issues, the UN strategy should include efforts to encourage other development partners to do so. Extending this further, UN efforts to address EDPs require a substantive engagement with donors to encourage them to prioritise addressing EDPs and related higher-level issues. The UN by itself will never have the resources to address higher-level issues that impact EDP project and programme effectiveness.

Key Message 7 and the associated recommendation referred to how country-level issues downstream of national development plans also brought challenges, particularly in terms of ensuring that higher-level objectives to address poverty-environment issues are actually implemented to bring about improvements to the environment and to poor people. It recommended that the PEI work with local government ministries to establish conditions that would encourage both business and donors to make the investments necessary for pro-poor environmental sustainability.

The higher-level policy focus of PEI needs to be connected to district-level efforts to operationalise commitments to address EDPs. Widespread district implementation will require very substantive finances beyond UN resources, thus UN efforts to address EDPs will need to mobilise substantial resources from in-country bilateral donors and through engagement in budget processes. It is likely that the most cost-effective way to address EDPs at the district level is through influencing programme and budget priority setting by the ministry of local government, as district plans are supposed to conform with these priorities. Secondly, through influencing key environment and natural resource (ENR) sector plans and implementation strategies such that they have adequate district level efforts to address EDPs. For example, convincing the agricultural sector to train district agricultural

extension officers in sustainable agricultural practices, including soil erosion control, who then train local farmers, so that they engage in more sustainable agriculture.

Key Message 8 stated:

> We conclude that PEI's relevance is very high, its effectiveness is good, equity is satisfactory, and sustainability is satisfactory – but efficiency is highly variable (depending upon country) (p4, Bass and Renard, 2009).

Thus, efforts should be made to reduce transaction costs and time requirements of PEI country programmes. If transactions costs are too high, PEI should consider ending country programmes. Key Message 8 and the associated recommendation also suggested some modifications to the PEI model.

The reasons why some PEI country projects were not effective need to be clearly understood and subsequently incorporated in future planning. The fact that some PEI country programmes were not cost-effective, for example due to excessive transactions costs, emphasises that assessing country suitability, including commitment at different levels, is very important.

Key Message 9 stated: "High-level UNDP and UNEP attention is essential to address some of the constraints to PEI progress, and there are clear roles for the PEI team and donors, too" (p4, Bass and Renard, 2009). It listed a series of recommendations that overall summarised the recommendations referred to above, including that more support from UNEP and UNDP was necessary to better integrate PEI into UNDP country offices.

11.4   The UNDP-UNEP Memorandum of Understanding (UNDP-UNEP MOU)

UNDP and UNEP are the two key UN agencies addressing EDPs and the better they collaborate, the more effective the UN should be. A key document guiding UNDP-UNEP co-operation is the UNDP-UNEP Memorandum of Understanding (MOU) (UNDP-UNEP MOU, 2008). For those not familiar with the UN system, the fact that two UN agencies have a memorandum of understanding that, *inter alia*, seeks to encourage co-operation may appear odd. However, as indicated in Chapter 2 of this research, it is the nature of UN agencies and the UN system that co-operation and coherence is far from perfect and various legal mechanisms and programmes exist to improve inter-agency co-ordination and co-operation, including the UN reform referred to in Chapter 2. Currently, neither agency co-ordinates development of its environment work programme with the other agency; that is, UNEP's strategy and work programme are developed independently from UNDP's environment strategy and work programme and vice versa.

The current MOU (Appendix 7) was signed in December 2008 and aims to achieve deeper co-operation between the two agencies. Under "Areas of Co-operation," the MOU states:

> 2.1 The Parties agree to cooperate in areas of common interest, further to and within each Organisation's respective mandate, national priorities and UNDAF outcomes described within each respective country (p3, UNDP-UNEP MOU, 2008).

The MOU sets out programmatic areas for co-operation, including climate change, the PEI, input to national development processes and UN country-level co-ordination mechanisms. It also elaborates administrative, cost-sharing and co-operation modalities, with references to joint programming. Paragraph 4.4 states: "Substantive areas of co-operation and the methods through which collaborative initiatives, strategies, and support may be realized between the parties will be elaborated through a joint working group" (p4, UNDP-UNEP MOU, 2008).

However, implementation of the MOU has been very slow; for example, the joint working group referred to above was not established until 2010. This delay led key donors such as Norway to express concerns. Consequently, Norway sponsored a decision in the UNEP Governing Council that called for action to speed up implementation of the MOU and the "immediate establishment of the joint working group" (p9, UNEP GCSSXI, 2010a).

One year later, a further UNEP Governing Council decision urged reporting on progress in implementation of the MOU:

> 6. Urges the United Nations Environment Programme to consider using the Poverty and Environment Initiative as a model for future collaboration with the United Nations Development Programme and with other United Nations agencies, where relevant, building on the comparative advantages of each organization (p29, UNEP GC26, 2011a).

The reference to PEI is evidence that it was seen not just as a good model for addressing EDPs, but also for UNDP-UNEP co-operation, being a fully joint programme that reflected agency mandate and comparative advantage.

However, since it was established, the working group has not produced any strategy paper on furthering collaboration. The slowness in implementation was recognised internally by the two agencies; for instance, a UNDP briefing note stated: "Overall, the MOU implementation process is moving too slowly and would benefit from having a more strategic focus" (p2, UNDP-UNEP MOU, 2011). Letters between the two heads of agencies include concrete suggestions for substantive implementation of the MOU through enhanced co-operation between the two agencies. For example, in April 2011 the Executive Director of UNEP wrote to the Administrator of UNDP proposing five different scenarios for enhanced co-operation at the regional level between the two agencies (Steiner, 2011).

However, as of late 2013, these scenarios and other high-level expressions of support have not yet been implemented.

A more comprehensive internal draft paper presented to both UNDP and UNEP management set out steps for enhanced UNDP and UNEP co-operation at global, regional and country level, proposing that the two agencies move towards joint programming on environment at a strategic level and develop a joint programming funding proposal to present to donors (UNDP-UNEP MOU, 2011a). However, the steps presented in the paper have not been implemented.

There is continuing evidence of inadequate progress in improving co-operation between UNDP and UNEP. For example, following the Rio+20 Summit in 2012, the UNEP Deputy Executive wrote to all UNEP staff that "structured, in-depth discussions with UNDP on the post-Rio agenda are deemed premature until the configuration of the relationship following the Rio outcomes is finalised" (p1, Mohamed, UNEP, 2012). As RIO+20 largely focused on sustainable development and donors expected both agencies to work together as the key UN agencies for shaping and forwarding the Rio+20 agenda, this letter could be viewed as a signal of reluctance to co-operate adequately with UNDP, which is inconsistent with the MOU.

Opinions about the slow implementation of the MOU coalesce around the view that the relevant managers in both agencies are not sufficiently committed to ensure timely implementation. An internal briefing note to the senior UNDP representative in Kenya, who was also the lead for co-operation with UNEP, stated: "But neither agency has made an honest effort to implement the MOU. The work has been dogged by mutual suspicion and agency agendas" (p2, UNDP Kenya, 2011).

There is a consensus that the two agencies tend to view each other as rivals with respect to environment issues in the UN System. This lack of progress in implementing the MOU and moving towards deeper joint programming reflects broader UN organizational culture issues, which not infrequently view other agencies as actual or potential rivals. This problem is recognised at the highest levels of the UN Secretariat, as evidenced by Ban Ki-Moon's criticism of UN senior managers' unwillingness to co-operate and break down silos and his reference to the need for them to leave their egos behind (Moon, 2008).

The implications of the failure to implement the UNDP-UNEP MOU for UN effectiveness in addressing EDPs are serious, as scaling-up such efforts requires substantively more joint strategising and programming between UNDP and UNEP. Moreover, given the global financial crisis and reductions to donor contributions for development aid programmes, failure to implement the MOU and improve co-operation between the two agencies carries

additional risks, as donors become increasingly impatient with UN agency failure to better co-operate.

11.5 Summary

This chapter has presented a number of examples relevant to the effectiveness of the UN in addressing EDPs. The implications of these examples can be summarised as follows. Efforts by UNDP, the main UN agency responsible for addressing EDPs at the country level, are acknowledged as inadequate. While reforms to UNDP's approach have been identified which would improve its effectiveness, few have been implemented. Notably, the PEI model is seen as a credible approach by both UN and donor evaluations. It is vital to accurately assess government commitment at different levels before establishing country programmes and the UN as well as donors should be firm in applying conditionalities. The commitment of UNDP and UNEP to expanding comprehensive joint programming beyond the PEI appears inadequate, which inhibits their ability to address EDPs in a scaled-up manner. The issues identified in this chapter include both development aid design and organisational culture. Complexity is also a relevant factor. For example, the mixed motivation of government officials adds to the complexity of addressing EDPs, as surface commitment may camouflage reluctance at a deeper level.

12   PROBLEM TREE ANALYSIS

12.0   Introduction

This study included a Problem Tree Analysis (PTA) so as to gain a deeper understanding of the reasons for uneven United Nations (UN) effectiveness in addressing Environment-Development Problems (EDPs) (see Chapter 4, Methodology for a full description of this analytical method.) A PTA creates a graphical representation of a problem (the "trunk"); its impacts (the "branches"); and its causes (the "roots"). The tool is useful in revealing connections among various facets of the problem and identifying underlying causes and higher-level issues. The method also shows patterns and organizes related issues into logical categories. Ultimately, a PTA helps in developing recommendations and should lead to stronger and more realistic solutions to complex problems.

Normally a PTA is carried out and presented as a single document, as per the PTA overview page below. However, for a complex programme, the causes or reasons can cover a number of A3 sized pages as was the case with this PTA. Thus to enable inclusion in the thesis on A4 pages, each category of causes is presented in sequence on its own pages. The PTA is set out as follows: The first page gives an overview of the PTA layout. The second page sets out the effects of the problem. The subsequent pages set out the causes and reasons of the problem by each category of causes. Thus category 1 'Design and implementation of UN and UN supported EDP programmes & projects inadequate' follows on two pages after the PTA overview page and after the PTA effects page.

Regarding how the boxes relate to each other, where there is a vertical line from the middle of one box to the box above that indicates a causal relationship between the boxes. For example: Under the category 'Design & implementation of UN & UN Supported EDP programmes & projects inadequate', the cause in box1 is at least partly as a result of the cause in Box 2. Boxes 7 to 15 are individual causes that contribute to Box 6.

The PTA problem statement is: "EDPs are a serious and in many cases worsening problem in developing countries". Above the problem statement are the effects of this problem and below the causes or reasons why EDPs are not being addressed adequately are set out.
The "Effects" part of the PTA above the problem statement indicates how the problem can lead to a range of negative development impacts, with the most serious effect being conflict.

A draft PTA with both causes and categories of causes was discussed with a group of UN officials with in-depth experience of addressing EDPs, and then was redrafted incorporating their comments.

The five categories are:

1. Design and implementation of UN and UN-supported EDP programmes and projects inadequate
2. National– particularly Government–capacity inadequate
3. UNDP and UNEP and broader UN priority for addressing EDPs not high enough and RBM systems and culture inadequate;
4. Donor support inadequate
5. High complexity of EDPs and their solutions.

It should be noted that the PTA summarises causes and categorises them in a summary sense. Not all causes will apply at all times to different examples of the problem or to all UN efforts. The weight of causes will vary depending on the project or programme; further, some of the causes apply to more than one PTA category. Additional material from the research journal and interviews was also used in writing this chapter.

Figure 12.1 presents the results of the PTA.

12.1 Category 1: Design and Implementation of UN and UN-Supported EDP Programmes and Projects Inadequate.

This category consists of Boxes 1–19 and is organised into two sets of causes. The first set appears in Boxes 1—16, which reflect the evaluation criteria and the findings of the case study analysis; an example is insufficient focus on poverty reduction in the design and implementation of EDP programmes and projects (Box 8). Their inclusion in the final version of the PTA also indicates the wider applicability of the case study evaluation criteria and findings for helping assess and design more effective EDP programmes and projects. These causes generally fall under the development aid design category.

The causes in Boxes 17–9 headed by the box "Commitment to RBM EDP project design inadequate" focus on RBM as it applies to EDP-specific programme or project design. More general UN RBM issues are represented under Category 3. The causes in these boxes relate primarily to organisational culture issues that impact on the design and implementation of projects and programmes. For example, slow learning and adaptation and non-results-based decision making by management are mainly organisational culture factors.

12.2 Category 2: Inadequate National – Particularly Government - Capacity for Addressing EDPs

This category comprises Boxes 20–39. Inadequate national—particularly Government—capacity is widely acknowledged as a key barrier to the achievement of development goals.

Economic & social benefit streams reduced

Environment indicators worsening

Effects

ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A SERIOUS & IN MANY CASES WORSENING PROBLEM IN DEVELOPING COUNTRIES

High complexity of addressing EDPs

Donor support Inadequate

UNDP & UNEP priority for addressing EDPs not high enough & RBM systems/culture inadequate

National especially Government capacity inadequate

Design & implementation of UN & UN Supported EDP programmes & projects inadequate

Causes/Reasons

Categories of Causes

Cause x
Cause x
Cause x

Cause x
Cause x
Cause x

Cause x
Cause x
Cause x

Cause x
Cause x
Cause x

Cause 4
Cause 5
Cause 6

Cause 1
Cause 2
Cause 3

Causes

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┌─────────────────────────────────────────┐
│   Ultimate impact = local or higher level │
│                conflict                   │
│   E.g. Pastoralist community conflicts    │
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┌─────────────────────────────────────────┐
│  Potential decline in social/political cohesions │
└─────────────────────────────────────────┘
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┌─────────────────────────────────────────┐
│  Less money available for recurrent expenditure & investment │
└─────────────────────────────────────────┘
                     │
┌─────────────────────────────────────────┐
│      Government revenues based on ENR      │
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│  Development indicators partially/wholly dependent │
│                    on                     │
│      ENR benefit streams decline.         │
│  Greater dependency on ENR = greater impact │
└─────────────────────────────────────────┘
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┌─────────────────────────────────────────┐
│  Individual, family & company incomes decline │
└─────────────────────────────────────────┘
                     │
┌─────────────────────────────────────────┐
│   Economic & social benefit streams reduced │
└─────────────────────────────────────────┘
                     │
┌─────────────────────────────────────────┐
│      Environment & natural resource       │
│       sustainability indicators worsen    │
└─────────────────────────────────────────┘
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Effects ↑

┌───┐
│ **ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A** │
│ **SERIOUS & IN MANY CASES WORSENING PROBLEM IN** │
│   **DEVELOPING COUNTRIES**   │
└───┘

Causes/
Reasons

↓

ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A SERIOUS & IN MANY CASES WORSENING PROBLEM IN DEVELOPING COUNTRIES

1. Design & implementation of UN & UN Supported EDP programmes & projects inadequate

1. Inadequately designed in general & inadequately designed to address EDPs

2. Insufficient understanding of EDPs – problem seen to be environment problem

3. Insufficient focus on calculating economic impacts of EDPs

4. Where there is general understanding, insufficient capacity to operationalise policies, plans, budgets to address EDPs

5. Insufficient capacity in designing and operationalising EDP projects

6. PRODOCs/Policies/Plans inappropriately designed to address EDPs

17. Commitment to RBM EDP project design inadequate

18. Slow to learn & adapt – e.g. due to inadequate M&E, lack of adequate organisational learning culture. Inadequate sanctions for sub-standard performance.

19. Elements of EDP project decision-making may be non-RBM based – e.g. reflecting internal bureaucratic competition for funds & status, other aspects of organisational culture e.g. 'don't rock the boat'

7. Situational analysis does not identify problem adequately. E.g.

Links between environmental unsustainability & development goals not clear or specific enough

Higher level issues e.g.land tenure, political-economy not included

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8. Strategy does not reflect EDP good practice

Not sufficiently targeted at EDP problems (e.g. too much focus on environment & not enough on EDP links & poverty)

Economic planning, budget & key ENR sector ministries insufficiently targeted e.g. Planning/Finance not leading

Not sufficiently integrated into national development planning processes

Top down PRODOC development

Higher-level issues not reflected in strategy

9. Outcome statement does not state change PRODOC interventions seek to achieve

10. Outputs are not the short-term EDP results to be produced in PRODOC timeframe and budget

11. Activities are not consistent with delivery of outputs & ensuring outputs have an impact

12. Work-plan unrealistic for EDP challenges

13. Budget insufficient for outputs &/or activities

14. Management & Co-ordination Arrangements do not:
- Clearly specify management arrangements
- Have lead or joint lead role for Planning/Finance
- Have SC & Tech Com chaired or co-chaired by Plan/Finance
- Reflect capacity of Government

15. Monitoring & Evaluation
M&E system not adequately results based –e.g. too much emphasis on activity or output reporting
M&E system is not adequate for enabling projects.

16. Feasibility, Risks & Sustainability
Risks & risk plan do not actually identify risks or actions to minimise these
No or inadequate sustainability plan e.g. insufficient focus on budgets or longer term financing

ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A SERIOUS & IN MANY CASES WORSENING PROBLEM IN DEVELOPING COUNTRIES

2. National, especially Government capacity inadequate

20. Capacity to address EDPs particularly inadequate

21. EDP issues more complicated than many issues Govt has to deal with

22. EDP relevant sector policies, plans & budgets not co-ordinated

23. Lack of effective government co-ordination mechanisms for EDPs.

24. Poor co-ordination across government

25. Institutional

26. Government structures inadequate

27. Ministry mandates & legal frameworks weak & not applied or enforced

28. National systems weak

29. RBM capacity very low, systems weak

30. Application of environment & development management tools & systems weak

31. Strategic focus lacking – shorter-term outlook

32. Budgets for EDP investments low in priority & amounts

33. Institutional structures & management unstable

34. High % posts vacant & high turnover

35. Individual

36. Inadequate skills or experience

37. Poor pay

38. Not motivated or committed

39. Rent seeking behaviour

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ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A SERIOUS & IN MANY CASES WORSENING PROBLEM IN DEVELOPING COUNTRIES

3. UNDP & UNEP priority for addressing EDPs not high enough & RBM systems/culture inadequate

40. Insufficient priority for EDP m/s – particularly by UNDP Regional Bureaux. Only one UN EDP m/s programme

41. Insufficient understanding of EDPs – problem seen as environment problem

42. Units in UNDP & UNEP that understand EDP & how to address them not yet influencing regional & country level UNDP programme & budget decision-makers

43. UNDP & UNEP PEI offices not targeting UNDP regional bureaux sufficiently to persuade them to increase the priority for addressing EDPs

44. Insufficient co-ordination between UNDP Poverty Practice & Env Group reduces ability to influence UNDP Reg Bureaux

45. Broader lack of co-ordination between UN agencies.

46. UN co-ordination mechanisms weak.

47. Insufficient senior UN management & member state commitment to strong UN coordination..

48. UNDP Env Prog & UNEP POW not developed in co-ordination manner. UNDP and UNEP do not co-ordinate adequately at global, regional or country level (except with PEI)

49. UNDP-UNEP co-operation MOU not implemented

50. Insufficient will within UNDP & UNEP to co-ordinate efforts in a more comprehensive manner.

51. UNDP COs depend largely on external resources for addressing EDPs & these resources limited = only small proportion of EDP problems addressed.

52. UNDP CO business model does not prioritise addressing higher-level policy issues like EDPs.

53. UNDP CO have financial & staff capacity constraints for addressing EDPs & other higher-level policy issues inadequate = focus on fee generating projects. E.g. GEF projects

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┌─────────────────────────────────┐  ┌─────────────────────────────────┐
│ 54. UNDP RBM systems generally   │  │ 59.UNEP RBM systems &           │
│ comprehensive but RBM culture    │  │ capacity inadequate  & RBM      │
│ yet to be adequately             │  │ culture weak.                   │
│ institutionalised in UNDP        │  │                                 │
└─────────────────────────────────┘  └─────────────────────────────────┘

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│ 55. M&E application does not     │  │ 60. M&E systems inadequate      │
│ have adequate results focus –    │  │ – tends to focus on activity &  │
│ too much emphasis on reporting   │  │ output reporting                │
│ activities & outputs.            │  │                                 │
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                                      │ 61. Inadequate training         │
┌─────────────────────────────────┐  │ on M&E & wider                  │
│ 56. UNDP CO admin/finance        │  │ RBM. -  Core funds              │
│ systems time consuming &         │  │ not used, reliant on            │
│ capacity inadequate = long       │  │ extra-budgetary funds.          │
│ delays in processing             │  └─────────────────────────────────┘
│ procurements etc                 │
└─────────────────────────────────┘  ┌─────────────────────────────────┐
                                      │ 62. Inadequate                  │
┌─────────────────────────────────┐  │ commitment to RBM               │
│ 57. Relevant UNDP Evaluation     │  │ systems & culture by            │
│ Office recommendations           │  │ UNEP management                 │
│ inadequately implemented         │  └─────────────────────────────────┘
└─────────────────────────────────┘
                                      ┌─────────────────────────────────┐
┌─────────────────────────────────┐  │ 63. UNEP decision-making is     │
│ 58. UNDP is decentralised        │  │ centralised & hierarchical.     │
│ programmatically & for d/m so    │  │ POW designed & approved in      │
│ difficult for UNDP HQ to         │  │ detail 2 years in advance at HQ │
│ directly influence CO priorities │  └─────────────────────────────────┘
│ & budget allocations.            │
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┌─────────────────────────────────────────────────────────────┐
│  ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A SERIOUS & IN          │
│  MANY CASES WORSENING PROBLEM IN DEVELOPING COUNTRIES         │
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         ┌────────────────────────────────────┐
         │  4. Donor support inadequate        │
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         │  64. Donor HQ & donor country       │
         │  priorities inconsistent            │
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         ┌────────────────────────────────────┐
         │  65. Inter-donor priority &         │
         │  programme co-ordination            │
         │  inadequate                         │
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         │  66. Donor conditionalities &       │
         │  reporting requirements differ      │
         └────────────────────────────────────┘
                              │
         ┌────────────────────────────────────┐
         │  67. Donor implementation of        │
         │  aid agreements inadequate          │
         │  (budget commitments &              │
         │  development aid modalities.        │
         │  E.g. Paris, Rome, Accra            │
         └────────────────────────────────────┘
                              │
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         │  68. Insufficient budget            │
         │  priority to addressing EDP         │
         │  issues                             │
         └────────────────────────────────────┘
                              │
         ┌────────────────────────────────────┐
         │  69. Inadequate                     │
         │  understanding of EDP               │
         │  impact on achieving                │
         │  development goals                  │
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ENVIRONMENT-DEVELOPMENT PROBLEMS ARE A SERIOUS & IN MANY CASES WORSENING PROBLEM IN DEVELOPING COUNTRIES

5. High complexity of addressing EDPs

70. EDPs & their solutions not well understood.
EDP problems multi-faceted, multi-level, evolving, cross-sector plus involve equity & efficiency issues
Relatively new concept & more recent in terms of how to address EDPs.
Need to change govt & donor policy & budget priorities in a multi-ministry manner & build capacity to sustain change.

75. Need to catalyse support from govt, donors to help address other issues, elements beyond UNDP/UNEP control & to build synergies with other projects/programmes

76. Underlying or actual priorities at country level (institutional, individual (officials, politicians)) may not be aligned with public statements, policies, PRSP objectives etc for addressing EDP issues.

71. 'Onion peeling' or 'no stopping' rule
Succeeding steps to address EDP are more demanding.
 Plus fixing one element of the problem = other layers to problem highlighted or additional problems identified

77. No 'one size fits all' solutions. Each country is different & addressing EDP problems requires a very good understanding of each country & an individually designed EDP country programme. National culture different

72. Higher-level issues (e.g. land tenure) have major implications for success of EDP projects but UN resources & mandate often insufficient to address these.

78. Design & implementation of EDP programmes requires high management & technical capacity. Proactive, responsive, adaptive, energetic management & implementation approach required.

73. EDP issues &/or higher-level elements of EDP issues can also have important political economy aspects. (Political-economy aspects of ENR issues often important in countries with high dependency on natural resources)

79. Magnitude of EDP problems very large especially when combined with other issues e.g. population pressure. Cultural beliefs can also complicate the problems.

80. Political instability common

74. EDP projects cannot address all elements that contribute to EDP problems

81. Corruption

Figure 12.1   Problem Tree Analysis

National capacity constraints represent a broader issue relevant to almost any development aid activity. While specific UN EDP programmes and projects cannot be expected to address broad government capacity deficiencies, capacity gaps relevant to EDPs must be at least considered in the design phase. Otherwise, projects are unlikely to have sustained impact.

In developing countries, national capacity to address EDPs (Boxes 20 and 21) is particularly inadequate for a number of reasons. These include the fact that the concept of environment-development linkages is not adequately understood and that EDPs are often more complex than other development issues.

A second set of causes (Boxes 22–34) for inadequate national capacity to address EDPs relates to broader institutional capacity weaknesses. These include poor government policy development and implementation co-ordination mechanisms. Such co-ordination mechanisms are a key to effective government in almost all circumstances, but due to the cross-sector nature of EDPs, they are particularly important here and their lack greatly complicates addressing EDPs. One example of the lack of adequate cross-sector co-ordination comes from Malawi, where the agricultural sector plan was developed by the agriculture ministry without adequate involvement of the water ministry, according to government officials and consultants.

Other institutional capacity gaps include problematic government structures, which could include fragmented management of environment and natural resources across different ministries. Malawi again serves as an example, where the Department of Forestry was located in the Ministry of Energy while the Department of Environment Affairs was located in the Ministry of Natural Resources.

Mandates to control pollution or other environmental degradation may be weak (Box 27), with out-dated legal frameworks that focus on environmental protection rather than sustainable management. Further, existing legal frameworks may not be enforced adequately due to capacity gaps or insufficient political commitment.

National systems (Box 28) include systems for public financial management, project design and approval plus for monitoring and evaluation. Higher-level national systems include annual and medium-term budget processes. While these systems may appear sufficient on the surface, inadequate application is commonplace, as demonstrated by a report analysing the budget processes in Malawi (Rakner et al., n.d.). RBM systems (Box 29) are substantively weak in many developing countries. In addition, there are often more specific weaknesses in capacity for applying standard development and environmental management

tools, such as Environmental Impact Assessments (EIAs) (Box 30). Another cause of inadequate capacity is a lack of strategic focus in some EDP-relevant ministries. This is most frequently seen in environment agencies that, being short of funds, may focus too much on projects that generate revenue for the agency rather than on strategic policy issues. Thus, the environment agency may place too much emphasis on raising donor funds for concrete projects such as tree planting, for example, as referred to in Chapters 5 and 6.

A key factor underlying institutional capacity inadequacies is low budgets—reflecting both scarce funds and also the low priority of the programme within the agency. This is particularly the case with environmental agencies, which traditionally fall low on the priority list for budget and donor allocations. Institutional instability also contributes to inadequate capacity, with civil service management re-organisation occurring on a regular basis in some countries.

High vacancy rates can be common in government agencies (Box 34) due to budget shortfalls, high staff turnover and lack of appropriately trained personnel. During the preparation of the Poverty-Environment Initiative (PEI) Malawi programme, for instance, some government departments were reported to have a 40% vacancy rate (Jere, pers. comm., 2008). Poor pay is a primary reason for the lack of adequate individual skills, as more skilled people are likely to find a higher-paying job outside of government. Poor pay also leads to a lack of motivation and rent-seeking behaviour, which ranges from requesting increased personal allowances from projects to outright corruption. When the complexity of a project to address EDPs is added to the workload of a poorly paid civil servant who has a second job so he or she can afford to send children to a good school, it is not surprising that motivating said civil servant can be difficult. In some countries, civil servants are paid so little that a second job is necessary to cover basic expenses like rent or food. For example, an experienced former economist in the Liberian civil service indicated that he was paid US$100 per month in 2007. Outright corruption represents the worst form of rent-seeking behaviour and is examined in more detail under Category 5.

While UN EDP programmes and projects cannot be expected to address all, or even most of the above, national capacity inadequacies must be reflected in project design. It is preferable to consider capacity gaps at the outset, considering their effect when setting goals for EDP programme or project outcomes; frequently, such shortfalls mean a longer-term commitment. Where it is not realistic to address broader capacity inadequacies within the programme, the desired outcome of a project may need to be less ambitious; alternatively, the programme might be linked to another programme targeting these capacity gaps.

The causes of problems under this category relate to development aid design and organisational culture. The complexity of EDPs increases the impact of such issues, since a higher level of capacity is needed to address them.

12.3   Category 3: Addressing EDPs Low Priority for UNDP, UNEP and UN System; Weak RBM Systems/Culture

Boxes 40–63 fall under this category. The lack of adequate support for addressing EDPs in UNDP and UNEP and the UN in general is most obviously reflected by the fact that only one programme in the entire UN System specifically targets links between environment and development, the joint UNDP-UNEP PEI. Further, this programme has an annual average budget of only about US$8.0m and is almost wholly reliant on noncore budget resources.

Boxes 40–47 present a number of causes for lack of adequate support by UNDP and UNEP. One is that the links between environment and development are not adequately understood, and thus are not prioritised. Another is that those parts of the UNDP and UNEP focusing on EDPs are not yet able to adequately influence programme and budgetary prioritisation by UNDP regional bureaux and country offices, the primary UN sections dealing with EDPs at the country level (Boxes 42 and 43). The UNDP offices with the primary responsibility for designing responses to EDPs—the Environment and Energy Group (EEG) and the Poverty Practice (PP) —do not co-ordinate adequately, which reduces the ability of these two units to influence UNDP Regional Bureaux (Box 44). This finding is supported by the UNDP poverty-environment nexus evaluation report, referred to in Chapter 11. The lack of co-ordination is part of the more fundamental co-ordination problems across the UN (Boxes 45–47). Ultimately, the lack of strong UN co-ordination reflects inadequate support from senior UN managers and member states for UN reform, as discussed in the Chapter 2.

Another set of reasons relates to the lack of sufficient programmatic co-ordination between UNDP and UNEP (Boxes 48–50). For example, there is no co-ordination in the development of respective environment work programmes. This reflects, *inter alia*, insufficient commitment to co-operation and weak UN System co-ordination mechanisms.

Boxes 51–53 refer to the inadequate focus on EDPs in UNDP Country Office work programmes, as indicated in the UNDP poverty-environment nexus evaluation report (UNDP EO, 2010). Financial resource constraints cause UNDP country offices to focus more on revenue-generating environment projects, particularly Global Environmental Facility projects, which bring in revenue. In addition, country office staff capacity for addressing higher-level policy problems is inadequate. In almost all cases, the workload of international and senior national staff that could be expected to focus on supporting policy

reform programmes is so excessive that they do not have time to provide the necessary support.

Boxes 54–63 refer to more general and higher-level weaknesses with respect to capacity and commitment for RBM in UNDP and UNEP, going beyond the application of RBM to specific EDP programmes or projects. Here there are some significant differences between UNDP and UNEP. UNDP has comprehensive RBM systems, but an adequate results-based culture has yet to be adopted. This is acknowledged in the foreword of the UNDP programming manual (UNDP, 2009).

UNEP RBM systems are still being introduced and its RBM culture is weaker than UNDP's. Training on RBM is not provided on a regular basis, is not compulsory and generally is not supported from UNEP's core budget. For example, RBM training conducted in 2012 was supported by donor funds from Norway and Sweden and the next RBM training programme was not held until 2014; the long gap and noncore support imply that it is not considered of sufficiently high importance (http://iseek.unon.un.org/webpddept2125_58.html accessed in May 2012). At the surface level, or what Schein (1990) called the observable artefacts level, UNEP does appear to have RBM systems. However, closer observation consistent with Schein (1990) and Trompenaars and Prud'Homme (2004) indicated that UNEP's RBM systems and culture are relatively weak, with donor and Office of Internal Oversight Services (OIOS) reports supporting this view (DFID, 2011; MOPAN, 2011: OIOS, 2010, 2011). For example, the Department for International Development (DFID) questioned the quality of UNEP systems, while the Multilateral Organization Performance Assessment Network (MOPAN) report refers to a lack of transparency in resource allocation. An Office of Internal Oversight Services (OIOS) official observed that some of UNEP's senior-level management decisions were based more on the strength of personal and bureaucratic relationships than on RBM (OIOS official, pers. comm., 2012).

Although programme and project staff voiced concerns about UNEP's RBM systems and culture, senior management appeared reluctant to follow up. One discussion between programme managers and a senior manager about UNEP's reform culminated in the senior UNEP manager suggesting that staff leave UNEP if they were not happy with the substance or pace of change. In a different meeting, the expression of similar doubts about UNEP RBM systems and culture also resulted in a strong and negative reaction from a different senior UNEP manager. OIOS officials have stated that the findings of their reports have not been adequately addressed. In another staff meeting in 2014, discussion of the results of a confidential survey on issues of concern resulted in management strongly reacting to the critical comments. A comment by John Kay in the *Financial Times* is perhaps relevant:

> There is a world of difference between an organisation in which you are rewarded for telling management what it needs to know and one in which you are punished for telling management what it does not wish to hear (Kay, *Financial Times*, July 3, 2012).

Both UNDP and UNEP staff identified the inability of some UN officials to adhere to RBM and address complex policy problems. A number of staff, current and retired, referred to UN officials as 'politicians' and 'political bureaucrats', rather than results-based development and environment experts. One view expressed was that UN managers lack empathy with the developing country people they are meant to be helping. Similar to this view, the Irish Ambassador urged the UN Country Team in Mozambique to demonstrate more empathy with Mozambique people (Ireland, Ambassador to Mozambique, 2015).

Many of the issues referenced above are reflected in UN evaluations and other reports (Bester, 2012; UNDP EO, 2008, 2010). However, little evidence indicates adequate implementation of the recommendations of such reports. For instance, the UNDP Evaluation Office website referring to UNDP EO (2010) indicates that only one of the poverty-environment nexus report recommendations had been implemented as of mid-2012. (http://erc.undp.org/evaluationadmin/manageresponse/view.shtml?evaluationid=4784)

The Secretary-General has recognised that the lack of a robust RBM culture in the UN is indicative of a broader problem (Moon, 2008) (see Appendix 8). In addition, concerns about insufficient accountability and transparency within the UN suggest that a results-based culture is inadequately embedded. A former head of the OIOS commented after seven years of being in charge:

> Is the United Nations Secretariat now on the right path, more transparent, more accountable? In my opinion regrettably: No. There is no transparency; there is lack of accountability (p48, Ahlenius, 2010).

This comment suggests that the bodies set up by the UN to help ensure solid results-based systems and culture, including appropriate accountability and transparency, are not yet in place. A report by the UN Joint Inspection Unit (JIU) on the UN's investigative functions identified a series of substantive problems and recommended fundamental reform, which has yet to take place (JIU, 2011). (The JIU is the only independent oversight body in the UN System.) Comments by the former UN Ombudsman in Nairobi substantiate concerns about the effectiveness of such bodies and the reluctance of senior managers to address problems (Magnusson, 2002).

A key implementation component of UNDP's RBM lies in its administration and financial systems, which are very complicated (Box 56). These procedures apply to the selection and hiring of consultants, purchase of equipment, transfer of funds to government agencies for

project implementation and recruitment of staff. Designed for transparency and to minimise the potential for corruption, they are cumbersome, time consuming, applied inconsistently by different UNDP country offices and the source of on-going complaints within and outside UNDP. For example, UNEP's Executive Director raised the issue of slow UNDP CO administrative and financial processing to the former UNDP Administrator:

> Our joint UNDP-UNEP Poverty-Environment Initiative is encountering serious delays in some UNDP country offices at both the programmatic and operation level and despite serious efforts it has not been possible to address these delays (p1, Steiner, 2008).

Similarly, a number of UNEP procedures are equally or more cumbersome, including recruitment processes, travel and financial approval mechanisms, causing similar frustration and delays.

Other factors that influence the effectiveness of the UN in addressing EDPs in developing countries are the differences between UNDP and UNEP decision-making processes (Boxes 58 and 63). These substantive differences inhibit co-operation and create problems in terms of prioritising EDPs. UNDP decision-making procedures are heavily decentralised, with UNDP Regional Bureaux and Country Offices having substantive autonomy in setting priorities and budgets. This structure makes it more difficult for UNDP HQ-based offices to co-ordinate with UNDP staff at the country level regarding the prioritisation of EDPs.

However, UNEP features very little delegation of authority as compared with UNDP. For example, UNEP and UNDP senior programme managers of equal grade, with the same management appointments in the PEI, had very different management authority. The UNEP manager could only approve payment of phone bills, while the UNDP manager could approve staff contract renewals, project documents for US$2.0m projects, travel for staff on official missions and financial payments of up to $30,000 cash without higher authority.

UNEP's programme and budget is set out in its Programme of Work (POW), the development of which is centralised, decided in detail two years in advance and based largely on HQ-derived priorities. In contrast, UNDP's programme is approved at a strategic level at UNDP HQ while most of the details are decided upon at country level based on country and regional priorities.

In terms of management, UNEP HQ-based staff are largely responsible for the implementation of UNEP's Program of Work (POW), with almost all financial and programmatic approvals requiring senior management approval. In the context of country-level operations, this is a recipe for long delays, as UNEP has offices in only a small number of countries. Overall, this suggests that UNEP's management structures are not well suited for country-level work. The relative lack of delegation does not reflect UN policies, which

permit substantive delegation. Instead, it reflects UNEP's normative origins, where operational projects requiring timely decision-making were very rare.

The case study analysis identified a number of UNEP examples of management passivity in the face of difficult challenges in project or programme implementation—for example, budget problems. Such passivity is also inconsistent with RBM and degrades UN effectiveness in addressing EDPs and other UN responsibilities. Reasons for this passivity include the existence of subcultures within the organisation, where a manager from a less powerful sub-culture declines to challenge the members of the more powerful sub-culture. Allied to passivity is the 'don't rock the boat' attitude, where difficult decisions that involve risk and the displeasure of some are avoided, with such avoidance potential evidence of insufficient managerial courage. For example, when one UNEP senior manager wrote a memo to another UNEP office complaining about the failure to resolve a long-standing budget issue after nine months of meetings, discussions and many emails, the response from said office criticised the fact that such a memo had been sent, despite the demonstrably negative impacts of the delays on programme delivery.

Study of the various reasons under this category indicates that there are both development aid design and organisational culture factors behind them. Organisational culture is a key explanatory variable for the lack of adequate RBM culture and, in the case of UNEP, the lack of adequate RBM systems.

12.4   Category 4: Inadequate Donor Support

The donor category appears in boxes 64–69. Donors have a potentially critical role in addressing EDPs, as they control the largest financial resources. However, a number of issues reduce the financial allocations from donors for addressing EDPs. The main issue is that addressing EPDs is not a major priority for donors. While a number of key donors provide almost all of the funding for the only UN programme dedicated to addressing EDPs, the UNDP-UNEP PEI, this is a relatively small programme. No internal donor programmes like the PEI could be identified; that is, there is no Department for International Development (DFID) or Norwegian Agency for Development (NORAD) equivalent of the PEI. As the UN can only provide a small part of the funding needed to address EDPs, it is critical that it is able to convince donors to allocate more resources for this purpose. Thus the UN should focus on changing donor priorities to increase UN effectiveness. The causes listed in the boxes fall under the development aid design category; Most of the non-EDP specific donor causes have been identified in the literature, particularly in the Organisation for Economic Co-operation and Development - Development Assistance Committee (OECD-DAC) aid effectiveness reports and recommendations (OECD, 2003; 2009; 2015).

12.5 Category 5: High Complexity of EDP Causes and Solutions

This category appears in Boxes 70–81. The literature review included a focus on the nature of complex problems and approaches to address them. While there was not a focus on the complexity of EDPs in the literature, the PTA supports the notion that EDPs are very complex problems and indeed feature some of the characteristics of 'wicked' problems. The preceding four categories include causes that are more substantively reflected in development aid literature and UN manuals on effective aid programmes and projects. However, the issue of development problems as complex problems has only been substantively analysed in the literature in the last four years or so by development think tanks, particularly the Overseas Development Institute (ODI). Apart from Roberts (2012), literature on the complexity of EDPs could not be found outside of this research. The complexity of many development problems, including EDPs, is also not reflected in UN programme and project manuals, which implies that efforts to address EDPs will be less effective.

EDPs and their solutions include both equity and efficiency factors (Box 70), involving multiple elements that can be characterised as multifaceted, multilevel and evolving. Achieving the insertion of EDP objectives into the national plan is a key step. However, they must be implemented subsequently through a number of sector plans and budgets and at the district level, thus multiplying the required workload. Case Study 3 identified the high transactions costs and overall high workload of UN staff working on EDP programmes and projects. In addition, addressing EDPs actually becomes more demanding as progress is made, as fixing one element of the problem often highlights an additional problem (Box 71). For example, one PEI country programme supported the inclusion of sustainability indicators in the agriculture sector plan monitoring system; however, after the sustainability indicators were added to the plan, the government indicated that it did not have an adequate data collection system to monitor sustainability, so the measures could not be applied. Further, it requested that the UN provide funds to reform the data collection system, which the UN did not have. Higher-level and political economy issues also contribute to complexity and reduce UN effectiveness. For example, such as governments which demonstrate an unwillingness to address water-pricing issues even though they create strong incentives for economically and environmentally unsustainable water use. Government objections to UNEP engagement in transboundary water issues are also an example of a political-economy factor reducing UN effectiveness.

The UN does not have the resources or mandate to address all elements of EDPs, and cannot compel governments to introduce appropriate policies. Additionally, it is very difficult for the UN to address higher-level political economy issues, given its level of resources and

mandate. If the UN and Bretton Woods institutions worked together, addressing these would be more realistic.

Corruption is a common problem that makes addressing EDPs, or any development aid programme or project, more difficult. Minimising corruption requires complicated financial management and procurement systems, with many checks and approval steps, in addition to detailed, time- consuming management oversight. Yet even with these precautions, corruption is an ever-present risk and an all-too-common occurrence.

While the complexity of addressing EDPs is understood in some quarters of the UN, including the PEI, this proven complexity is not substantially reflected in UNDP, UNEP or other UN programming manuals. Thus, UN staff are not well equipped to deal with complexity in programme and project design and implementation, which lowers their effectiveness, not least in terms of addressing EDPs. For example, adaptive management has been identified as an important approach to dealing with complexity, but this is not reflected in the standard UN programming manuals (Hummelbrunner, R. & Jones, 2013; 2013a; UNDP, 2009; UNDG, 2011b). Moreover, adaptive management requires substantive management delegation, which is not the practice in UNEP.

12.6   PTA Summary

Overall, the findings of the PTA are consistent with the findings of the case-study analysis and the EDP examples. They also support the importance of implementation modalities as a factor impacting UN effectiveness. Further, consistent with its purpose, the tool provides more in-depth analysis of the causes of UN effectiveness in addressing EDPs. By extension, a significant number of these causes apply to UN effectiveness in addressing other development problems and thus impact UN effectiveness in general. The PTA also supports the choice of the three categories examined in the literature review. For example, the PTA identifies causes related to the application of RBM by the UN in terms of both RBM systems and culture, which fall under development aid design and organisational culture. The complexity of addressing EDPs is also supported as an explanatory variable. The PTA shows that a substantive number of the factors impacting UN effectiveness are higher-level, more general and/or country-level factors. This implies that even if the UN has very good modalities and capacity for addressing EDPs, other factors, such as country capacity or higher-level UN co-ordination weaknesses, may restrict UN effectiveness. Conversely, if the UN, donors or governments address such weaknesses, UN effectiveness is likely to be enhanced.

13 DISCUSSION OF RESULTS

13.1 Introduction

This chapter presents results from the assessment of the six Case Studies, the EDP examples and a Problem Tree Analysis (PTA) that provide an in-depth evaluation of the UN's effectiveness in addressing Environment-Development Problems (EDPs) in developing countries. Case Studies 1–4 analyse the effectiveness of the UN's only programme specifically intended to address EDPs and Case Study 5 evaluates the overall effectiveness of a UN policy and strategy to address freshwater EDPs. Case Study 6 assesses the UN's effectiveness in supporting a large EDP programme lead by another organization. The EDP examples provide additional material to assess UN effectiveness. The Problem Tree Analysis (PTA) provides an in-depth analysis of immediate, underlying and broader causes of EDPs. In doing so it helps identifies actions to improve UN effectiveness. The combined results of the analysis identify the UN's general capacity to effectively address EDP's in developing countries and also the effectiveness of the organization in fulfilling its broader mission and mandates.

13.2 Case Study Results Summary

The case studies were scored on a numeric scale of 1 to 3 against nine effectiveness criteria where 1 is poor, 2 is moderate and 3 is good. To highlight scores and patterns, colour coding is added with Red = poor, Yellow = moderate and Green = good. In terms of colours, scores are rounded up if they are at .50 or higher. Table 13.1 presents the score for each Case Study by criterion; these scores are averaged to produce an "Overall Grade" for each study, shown in the horizontal row along the bottom of the table. The average of the overall grades for all six case studies is shown in the blue box at the bottom right corner of the table. The grades for each criterion were also averaged across the six Case Studies, with the outcomes shown in the far right vertical column. This organization provides an overview of (1) the overall effectiveness of each programme studied: (2) the effectiveness of these six representative EDP projects as a group; and (3) the effectiveness of the projects in terms of each criterion, for each Case Study and for the six studies as a group.

The overall rating from the six case studies for United Nations (UN) effectiveness in addressing EDPs is 1.73, indicating that overall UN effectiveness is between Poor and Moderate. However, there is wide variation among the case studies. Case Studies 1, 5 and 6 are rated as Poor. Case Studies 2 and 4 are moderately successful, with Case Study 3 nearly achieving a 'Good' rating. In terms of evaluation criteria, "Budget", "Feasibility, Risks and Assumptions" and "Monitoring and Evaluation" rank among the weakest. Two criteria,

"Outcome" and "Outputs and Activities", are evaluated as being moderately successful, with the remainder less than moderately successful.

Table 13.1   Summary of the Evaluation of Case Study Effectiveness

Case Study Where: 1=Poor; 2=Moderate; 3=Good	1	2	3	4	5	6	
Case Study Evaluation Criteria							**Average Per Criterion**
Situational Analysis	1	1.67	2.33	2.33	1	1	**1.56**
Strategy	1	2	2.67	2.67	1	1	**1.72**
Outcome	2	2	3	3	1	1	**2.00**
Outputs and Activities	1	3	3	3	1	1	**2.00**
Work Plan	1	2	3	3	1	1	**1.83**
Budget	1	3	3	1	1	1	**1.67**
Management and Co-ordination	1	2.25	2.75	2.50	1	1	**1.75**
Risk Assessment	1	2	2	1	1	1	**1.33**
Monitoring and Evaluation	1	2.50	2.50	1	1	1	**1.75**
Case Study Overall Grade	**1.11**	**2.27**	**2.75**	**2.28**	**1.00**	**1.00**	**1.73**

Key   1-UNEP Poverty-Environment Project Prior to Restructuring (UNEP P&EP)
        2-UNDP-UNEP Poverty-Environment Initiative Africa (PEI Africa)
        3-UNDP-UNEP PEI Rwanda PEI PHASE 1 Country Project
        4-UNDP-UNEP PEI Scale-up
        5-UNEP Water Policy & Strategy
        6-Southern African Development Community Regional Strategic Action Plan for Integrated Water Resources Development and Management 1998–2004 (RSAP)

The results also suggest that, compared with the UN Development Programme (UNDP), the UN Environment Programme (UNEP) has a lower level of capacity in programme and project design, as the case studies where UNEP had the leading role—Case Studies 1 and 5—rank poorly. This is consistent with UNEP's primarily normative role and lower level of experience with results-based management (RBM).

The improvement displayed in the design and implementation of the UNDP-UNEP Poverty Environment Initiative (PEI) projects, Case Studies 2-4, demonstrated the benefits of operating as a learning organisation. The assessment of elements therein as 'Moderate' or 'Good' provides guidance for developing recommendations to improve overall UN effectiveness in addressing EDPs.

Development aid design and organisational culture were found to be key factors in explaining UN effectiveness, as well as the complexity of EDPs. Programme and project implementation modalities were also found to be an important effectiveness factor. Country factors were also important, particularly government capacity.

13.3   Results of the Analysis of the EDP Examples

The EDP examples highlight a number of broader and higher-level issues that impact the effectiveness of the UN and remain largely consistent with points identified in the assessment of the case studies. The first example was the UNDP Evaluation Office Poverty-Environment Nexus report, where a key point noted is that EDPs is not a sufficiently high priority for UNDP at the country level. This report identified the PEI model as suitable for addressing EDPs more generally and also provided recommendations for making UNDP more effective, but most of those recommendations have not yet been implemented.

The second EDP example highlighted the negative impacts of inadequate real commitment by government officials responsible for implementing an EDP project. The UN approach to addressing the problem demonstrated that showing firmness on conditionalities, previously agreed upon between the UN and the government at the programme or project level, could be effective. As insufficient government commitment is a more general issue, this example also points to the need to accurately assess the level of government commitment and to understand the incentives facing poorly paid government officials.

The third EDP example of the Norwegian evaluation of PEI Africa identified the general appropriateness of the PEI model for addressing EDPs, but with qualifications. For example, it underscored the need to focus more on the poverty elements of poverty-environment mainstreaming. Further, it emphasised the need for greater support from UNDP and UNEP management for poverty-environment mainstreaming, that is, greater support for addressing EDPs.

A key finding from the UNDP-UNEP Memorandum of Understanding (MOU) EDP example was that UNDP and UNEP are not adequately co-ordinating programme design and implementation in general. Given that they are the prime UN agencies relevant to EDPs, this lack of an integrated environment and development approach reduces UN effectiveness.

Overall, the EDP examples reinforced the findings of the Case Study analysis and increased depth on some of the issues, including with respect to co-ordination and co-operation shortcomings between UNDP and UNEP.

13.4 Results of the Problem Tree Analysis (PTA)

The PTA identified a range of EDP effects, both economic and otherwise. It also enumerated over 80 causes, grouped into five categories, for the lack of effective engagement with EDPs in developing countries.

These five categories were:

1. Design and implementation of UN and UN-supported EDP programmes and projects inadequate;
2. National–particularly Government–capacity inadequate;
3. UNDP and UNEP and broader UN priority for addressing EDPs not high enough and RBM systems/culture inadequate;
4. Donor support inadequate;
5. High complexity of addressing EDPs.

Overall, the PTA provides greater depth in identifying causes of the failure to adequately address EDPs across the three main actors involved in designing, implementing and funding these efforts: governments, the UN and donors. This finding will be important for elaborating and targeting recommendations to improve UN effectiveness. Further, the range of causes is consistent with the findings of the case studies and the assessment of EDP examples. The PTA also identifies implementation modality factors, including the need for adaptive management. Another category reflects that UN RBM systems and culture need to be strengthened. The PTA also indicates that a significant number of the causes for EDPs are outside the direct control of the UN.

13.5 Discussion of Results

13.5.1 Effectiveness of the UN in Addressing EDPs

As noted above, the research found that overall the UN has been less than moderately effective in addressing EDPs. The only UN programme specifically targeting EDPs, UNDP-UNEP PEI, essentially failed in its first phase, but was restructured and became increasingly effective. Subsequent evaluation reports supported the effectiveness of the UNDP-UNEP PEI model (Bass and Renard, 2009; UNDP EO, 2010). However, the scale of effective UN efforts to address EDPs is very limited, which seriously impedes overall UN effectiveness.

13.5.2 Reasons for the Assessed Level of UN Effectiveness in Addressing EDPs

As elaborated in the case study analyses, the EDP examples and the PTA, many factors have a direct impact on EDP programme or project effectiveness. Many of these factors fall under the category of inadequate development aid design, such as a lack of co-ordination with ministries of planning or finance. A second set of explanatory variables revolves around organisational culture factors. The fact that problems persist despite repeated efforts

to point out flaws suggests an inadequate learning culture and poor management on the part of the UN. Further, the lack of a results-based culture amongst relevant managers implies that further training on RBM systems and stronger RBM-based leadership is needed.

The complexity of EDPs was also found to be a significant factor contributing to the extent of UN effectiveness. EDPs are non-linear, multifaceted problems that require working in a cross-sector manner to change government policy and budgetary priorities while focusing on the links between environment and development issues. EDPs have some of the characteristics of 'wicked' problems, i.e. those that are highly resistant to resolution. Effective strategies must be forged in situations that often involve limited capacity, weak agency co-ordination mechanisms and variable degrees of commitment from government officials. It is crucial to apply best-practice development aid design and to foster an organisational culture that supports delegated, adaptive management. The complexity of EDPs also makes addressing them more intellectually demanding, requiring what the literature has described as "deliberative rationality" (p 8, Lock et al, 2011).

By and large, UN experience and lessons in addressing complex development problems over many years have not been codified, disseminated and internalised by the UN system, which is consistent with the assessment of an inadequate learning culture. UN development aid manuals do not provide guidance on how to effectively design and implement programmes and projects to address complex problems. Instead, non-UN entities like the Overseas Development Institute (ODI), the Australian public service and individual academics have made significant contributions in this area.

The need for adaptive management points to implementation modalities as a potential effectiveness factor in addressing complex development programmes like EDPs. This refers to the ways in which the programme or project is implemented, preferably with "agility, flexibility, innovation in addressing the problems [and]…rapid response to other interventions" (p37, Blackham, 2007). Additional crucial elements include deep and on-going engagement in development planning processes by the project team, proactive provision of technical inputs, and robust implementation of previously negotiated conditionalities. Moreover, fixing problems identified by programme or project monitoring in a timely fashion is also necessary. This research coined the term 'policy entrepreneur' for proactive, energetic staff who seize opportunities, yet another important success factor. Where the UN did not apply appropriate implementation modalities, as in Case Study 1, it was less effective.

Further, the MOU example demonstrated that a lack of co-operation between UNDP and UNEP is a development aid design problem that persists due to organisational culture

factors. Most of the issues raised by the EDP examples have wider application in terms of UN effectiveness. For example, the importance of ensuring real government commitment and applying firm conditionalities at the project and programme level was demonstrated in one of the EDP examples, with the response from the UN indicating that a strong commitment to Results-Based Management (RBM) and courage on the part of senior UN managers is important for addressing country-level implementation problems. Where such commitment is not present, UN efforts have been less successful.

Additionally, poor national capacity is a major factor reducing the effectiveness of any development programme or project, whether funded by the UN or any other donor. While some development aid effectiveness literature supports the selectivity approach, choosing countries where conditions for success are more present, a key part of the UN mandate is to help those countries most in need, so avoiding low-capacity countries is neither possible nor morally justifiable. The impact of low national capacity is greater when the UN does not have the funding to address wider capacity issues as part of a specific programme or project, which is usually the case. Thus, right from the planning stages of an EDP programme or project, it is very important that the UN include development of a comprehensive capacity development plan for funding by in-country donors.

The findings show that RBM skills and culture remain inadequate, which is both a development aid design and an organisational culture issue. This inadequacy applies at different levels of the UN, ranging from RBM in the context of individual projects to higher-level senior management decisions. For example, if a higher-level of commitment to RBM was present, then it is more likely that UNDP and UNEP would co-ordinate their programmes. Likewise, the use of donor funds in a manner that is inconsistent with UN-donor agreements represents another example of higher-level management RBM culture deficiencies. Tackling these broader issues would improve UN effectiveness in addressing EDPs and UN effectiveness in general, but such change requires unambiguous support from strong leaders (Cassidy, 2004). However, while the research found that the UN's only programme specifically addressing EDPs has been moderately successful, the scale of UN efforts in this regard is very small compared with the scale of EDPs as outlined in Chapter Two. Therefore, in addition to addressing the ineffectiveness factors identified in this research, a key issue is why UN efforts are so small-scale.

Key reasons include inadequate recognition of the importance of addressing EDPs to achieve key development goals, as reflected in internal UN corporate priorities. Structurally, those parts of the UN most directly involved in addressing EDPs are not embedded in those parts of the UN with the most financial and staff resources available to address EDPs, namely the UNDP regional bureaux and UNDP country offices under these bureaux.

Further, those parts of the UN directly dealing with EDPs have not been able to influence other parts of UNDP and UNEP to prioritise EDPs. This is despite evaluation reports from both organisations supporting the PEI model and the UNDP EO recommendation that efforts to address the poverty-environment nexus (that is, EDPs) be scaled up. The failure to implement evaluation recommendations is a more general issue and could reflect inadequate incentives, weak senior management support or a lack of resources. More fundamentally, it is consistent with the assessment that the UN is not a good learning organisation. Pockets of success exist in the UN, but best practices are not sufficiently adopted across the organization, which also suggests an inadequate learning culture.

The above reasons reflect development aid design issues, such as inadequate institutional structures and co-ordination mechanisms within UNDP and UNEP. Organisational culture factors are also key in that the lack of co-ordination across different parts of an organisation represents not just a structural problem, but also reflects as unwillingness to co-ordinate and potentially the presence of sub-cultures that do not try to work together effectively.

Other reasons that impact UN effectiveness identified include a lack of capacity in other entities for addressing EDPs and the low priority donors assign to addressing EDPs. Given the low scale of UN efforts to specifically target EDPs, it is important that the UN be effective in influencing other development agencies and organisations to do so successfully. First, the UN must encourage appropriate EDP programme and project design and implementation good practice and provide key technical advisory support. However, the finding that the UN was ineffective in influencing the design and implementation of the SADC RSAP suggests that even when the UN has demonstrated technical expertise in addressing EDPs, this may not be enough to adequately influence other organisations. Thus, the UN needs to build strong alliances with the main donors to ensure firm joint conditionalities. It also needs to place more emphasis on persuading donors to allocate significantly increased resources for addressing EDPs.

On a broader scale, there are a number of higher-level issues that impact UN effectiveness in addressing EDPs. These were identified in Chapter 2 and also in the PTA. Most of these mirror issues identified at the UNDP and UNEP level, such as inadequate UN System-wide co-ordination mechanisms. Thus, there is no effective way to ensure that (1) lessons learnt from UN agencies or programmes are assimilated at the higher UN System level; (2) best practice development aid design is followed; and (3) up-to-date RBM systems are applied. Critically, weaknesses in RBM systems and culture represent a persistent problem in the UN, as identified in the literature review (Bester, 2012; Binnendijk, 2000; UNDG, 2011b), suggesting that the UN is not an effective learning organisation as far as RBM is concerned.

Additionally, there is no UN System-wide development doctrine or consistent effort to co-ordinate the prioritisation of UN agencies work programmes or budgets. Moreover, substantive attempts at major UN reform initiated and led by the previous Secretary-General to address a number of these higher-level issues have made little progress in the face of inadequate support by member states that may be more concerned with protecting their sovereignty (MacQueen, 2010). But senior UN managers have to accept some of the blame for inadequate progress with UN reform (Centre for UN Reform Education, 2008; Moon, 2008).

The failure of successive attempts at reforming the UN since the 1960s means that the more general factors that inhibit UN effectiveness in addressing EDPs and UN effectiveness in general will continue. As documented by both internal and external reports, the combined effect of these factors is of such a magnitude that the effectiveness of the UN is seriously compromised. If UN reform is not going to address these matters, then a key question is: Should the UN stop or substantively decrease its activities in areas most impacted by these factors, including EDPs and other development problems?

Other reasons impacting UN effectiveness suggested in discussions and interviews include an insufficient number of appropriately trained or motivated staff to address complex development policy problems such as EDPs. Views were expressed that the UN has too many "political bureaucrats" or staff who take a politician's approach without the necessary technical expertise or a sufficient results-based culture. Further, it was suggested that UN managers do not have sufficient empathy with the people in developing countries that the UN is focused on helping.

13.6   Applicability of Findings to Other Development Problems

Whether the overall findings of the UN as less than moderately effective in addressing EDPs and the reasons for this apply to the UN as a whole or to other development problems would require additional research to answer, preferably differentiated by the type of issue the UN deals with. For example, the lack of adequate vaccination coverage for young children in many countries is a different kind of problem.

However, the non-EDP specific factors that impact UN effectiveness identified by the research have broader applicability, particularly to other complex development policy problems. For example, RBM-related development aid design and organisational culture factors apply to UN programmes and projects in general and are referred to substantively in reports that focus on the wider UN. Poor capacity at the country level is a general problem that impacts all development efforts. The issue of complexity also has wider applicability, as

evidenced by the ODI reports analysing complexity as it applies to development problems in general.

13.7   Summary

The overall result of the assessment of the case studies is that the UN has been less than moderately effective in addressing EDPs. A key finding is that the only UN programme specifically targeting EDPs has been relatively effective, after a poor start. But it is only one small programme. A variety of factors impact UN effectiveness, some of them specific to EDPs, but many are broader UN issues, which make it more difficult for EDP-specific programmes to be effective, even if all best practices are incorporated in EDP programme and project design. Substantially scaling up the programme by using an enhanced PEI model would make the UN more effective in addressing EDPs. However, even if the UN did substantively scale-up its efforts to address EDPs, broader UN issues would restrict overall UN effectiveness and make it much harder work. So the UN must scale-up efforts to address EDPs and also tackle broader ineffectiveness factors. The UN also needs to persuade donors to scale-up their efforts to address EDPs and to be more proactive in improving the effectiveness of other entities addressing EDPs.

14 CONCLUSIONS AND RECOMMENDATIONS

14.1 Introduction

This chapter presents the conclusions regarding the effectiveness of the UN in addressing EDPs in developing countries, the reasons for the assessed level of effectiveness and key elements of a successful model for addressing EDPs. It then presents recommendations for improving UN effectiveness in addressing EDPs and UN effectiveness more generally. It also identifies the contribution of this research and areas for further research.

The research applied a mixed-methods approach to assess UN effectiveness in addressing EDPs, using EDP Case Studies, other EDP examples and a Problem Tree Analysis (PTA). It also proposed development aid design, organisational culture and the complexity of EDPs as explanatory variables of UN effectiveness. The results and the reasons for UN effectiveness enabled the identification of recommendations for improving UN effectiveness in addressing EDPs and UN effectiveness more generally, which are presented below.

14.2 Effectiveness of the UN

The overall result of the Case Study analysis was that the UN was less than moderately effective in addressing EDPs. Another important research finding was that the UN has developed an effective model for addressing EDPs, but that this model is not being implemented outside the programme that developed it. Table 14 lists reasons contributing to these findings.

Table 14.1 Research Findings: Conclusions and Reasons for UN effectiveness

Conclusions	1. The UN has been less than moderately effective in addressing EDPs.
	2. The UN has a largely successful model for addressing EDPs based on the UNDP-UNEP PEI model.
Reasons	1. Inadequate RBM systems and culture in general, and particularly in terms of EDPs.
	2. Inadequate organisational learning.
	3. Management systems poor at ensuring evaluation findings and recommendations from other reports are implemented.
	4. Insufficient resources allocated by the UN to addressing EDPs and insufficient focus on increasing donor resource allocation for addressing EDPs
	5. Poor co-ordination between UNDP and UNEP and across the UN
	6. Diplomatic consensus-style decision-making structures, modalities and organisational culture
	7. Complexity of EDPs not adequately understood

14.2 Reasons for Assessed Level of UN Effectiveness

The research found that the UN was less than moderately successful in addressing EDPs for a variety of reasons, some specific to EDPs and others applying to the UN more generally. Development and application of a model for successfully addressing EDPs demonstrates that the UN—or at least parts of it—knows how to design and implement an effective EDP programme, including in the face of wider UN effectiveness challenges. Understanding of the reasons underlying less-than-effective overall performance to address EDPs is key to changing the situation.

RBM

Inadequate results-based management (RBM) systems here refers primarily to the application of RBM in the design and implementation of EDP projects and programmes—for instance, not correctly identifying the problem or not having an appropriate strategy, as in Case Study 1. Failing to take an integrated economic-environment approach is an EDP-specific example of RBM weakness, as seen in Case Study 5. Inappropriate implementation modalities include not proactively engaging in national development planning processes and with planning, finance and key in-country EDP-relevant sectors. A number of UN reports suggest that UNDP and UNEP EDP-related RBM weaknesses are a subset of broader UN weaknesses (Bester, 2012; Binnendijk, 2000). The research has also concluded that, despite criticisms of RBM in the literature, UN RBM systems are not a significant cause of development aid ineffectiveness, rather it is their inappropriate application that is the main problem (Jones, 2011; Ongevalle van et al. 2012). Inadequate RBM systems are largely a development aid design and implementation issue.

The inappropriate application of RBM systems is concluded to be symptomatic of a weak RBM culture, which is an organisational culture factor, A weak RBM culture refers to an inadequate commitment to achieving improved results in an organisation, which in the context of this research means improved environment and development outcomes. Examples of a weak RBM culture include attempts at inappropriate use of funds, inadequate prioritisation of RBM training and weak leadership for improving RBM systems and culture from senior UN management. Partial or non- implementation of evaluation and inspection reports designed to improve UN effectiveness in addressing EDPs, or the UN more generally, are also symptoms of an inadequate results culture. The presence of sub-cultures further inhibits development of an adequate results-based culture, in that sub-cultures can focus on bureaucratic competition rather than on achieving development results. The

weakness in RBM culture for addressing EDPs is concluded to be a subset of wider weaknesses in UN organisational culture.

Organizational Learning

Weak organisational learning also falls under the organisational culture category. While the Poverty Environment Initiative (PEI) became a learning programme and developed a proven operational model for addressing EDPs, the UN has not applied the PEI model and lessons learnt more broadly, despite a UNDP evaluation report and donor recommendations that it do so (UNDP EO, 2010). Repeated concerns expressed by donors and others about UN effectiveness over a number of years also suggest that the UN is not a good learning organisation in general—that is, it lacks a consistent process to identify reasons for less-than-satisfactory outcomes and implement solutions (Browne and Weiss, 2013; DFID, 2011). For example, the UN has not addressed RBM and co-ordination weaknesses identified in a number of reports (Bester, 2012). Similarly, reports and statements from retired senior UN managers make the same point (Jenks and Jones, 2013; Malloch-Brown, 2007).

Management Systems

UN management systems for applying evaluation and similar report recommendations are inadequate, as evidenced by the failure to implement said findings (UNDP EO, 2010). This could also reflect a poor learning culture, which results from, *inter alia,* insufficient incentives for managers to implement the findings. In the case of EDPs, it also underscores inadequate co-ordination of programme and budget prioritisation between UNDP's Bureau of Development Policy (BDP) and its Regional Bureaux. The BDP has the lead on addressing EDPs within UNDP, but the Regional Bureaux have the lead in setting country-level programme and budget priorities. There is substantive evidence that the same problem applies to the UN in general. For example, reports on the application of RBM in the UN written a decade or more apart include some of the same recommendations and the recommendations in the Joint Inspection Unit (JIU) report on UN investigations functions have yet to be implemented (Bester, 2012; Binnendijk, 2000; JIU, 2011).

Resources

Despite the large scale of EDPs and clear evidence that addressing them brings substantive net economic benefits, UNDP and UNEP only allocate between US$2-3m per year of core funds directly to the PEI, the only UN programme directly addressing EDPs. While a number of UNDP Country Offices add an additional US$250,000 or so per year or so each on average in PEI countries, the overall total is very small in absolute and relative terms. The success of the PEI as a model and a UNDP evaluation report recommending greater

efforts to address the poverty-environment nexus (a proxy for EDPs) have not spurred UNDP or UNEP to substantively scale-up the number of EDP projects and programmes that could serve this function. Further, if other UN agencies focused on addressing EDPs in co-ordination with UNDP and UNEP, the impact of the UN could be very substantially improved.

The UNDP report that recommended a higher priority for addressing EDPs did not mention a lack of resources as a factor. Rather, UNDP and UNEP need to prioritise within existing resources and address management system issues whereby evaluation report recommendations are not implemented.

Clearly, the scale of EDPs is so large that UNDP and UNEP do not have the resources to address them on their own. For example, the World Bank estimates that approximately US$53b is required between 2008 and 2015 to address water supply, sanitation and wastewater needs in developing countries (Water and Sanitation Programme, 2008). As it is a key role of the UN to catalyse others to address issues such as EDPs, UN effectiveness is also measured by its ability to do so, as it did very successfully in mobilizing international response to ozone depletion. In terms of catalysing others to address EDPs, the UN has not been successful in persuading other development-focused entities such as the Southern African Development Community (SADC) to prioritise addressing EDPs or to adopt EDP focused good-practice programme and project design. Nor has it been successful in persuading large donors such as the Department for International Development (DFID) and the Norwegian Agency for Development Cooperation (NORAD) to prioritise addressing EDPs. The fact that UNDP and UNEP do not prioritise addressing EDPs reduces their influence in catalysing funds from donors.

Co-ordination

For the UN to successfully address EDPs, the two UN agencies most responsible for doing so need to work closely together, but except in the case of the PEI (Case Studies 2 to 4), they do not coordinate development of their respective environment-development work programmes. This lack of co-ordination is reflected in the UNDP-UNEP Memorandum of Understanding (MOU) example elaborated in Chapter 11 and continues despite donor complaints and the relative success of the PEI as a model for wider UNDP-UNEP co-operation (UNEP GC26, 2011a). This is symptomatic of the wider problem of the lack of adequate co-ordination in the UN—for example, the weak inter-agency co-ordination mechanisms of the UNDG and the continuing failure to introduce compatible computer based management systems. The lack of any real co-ordination between the UN System and the World Bank and IMF is a higher-level issue that weakens the UN's effectiveness at the

country level, particularly due to the UN's relatively modest resources. For example, the lack of co-ordination between the UN and the Bretton Woods institutions mean that addressing higher-level political-economy issues impacting on UN effectiveness is less likely. This is because addressing these issues frequently requires the incentives and sanctions the Bretton Woods institutions can apply due to their mandates and financial power. In the case of the SADC RSAP, if the Bretton Woods institutions and the UN had worked together, it is much more likely that the difficult political-economy issues of water pricing and allocation could be resolved.

Significantly, the UN does not have a System-wide development doctrine to provide a common understanding and unity of effort on how to address development problems like poverty or EDPs (Nagl, 2002; NZDF, 2008). The lack of adequate co-ordination systems is a development aid design problem and the lack of commitment to addressing this problem is an organisational culture factor.

Decision Making

The UN diplomatic consensus-style decision-making reflects its original purpose of preventing or ending conflict between states and is suited for that purpose, where a consensus is closely aligned with securing peace. However, it inhibits effectiveness in addressing most development problems, including EDPs, as such consensus decision-making can lead to the lowest common denominator solution and may not be consistent with the biological, physical or economic realities that characterise the EDP. For example, an agreement to address over-fishing that sets catch limits above sustainable yields will not be successful.

Worse is that in the absence of consensus over how to address a problem, the consensus approach can result in little or no action; yet the consensus-style decision-making systems and culture remains in place. For example, they apply to the Chief Executives Board, despite the continuing problem of poor co-ordination between different UN agencies at the global, regional and country levels (UNDG, 2011). At a programme or project level, the diplomatic consensus model can lead to difficult factors being tolerated, rather than addressed. For instance, donors did not insist that SADC focus on the economic elements of freshwater management, despite these being key causes of the problems the RSAP was aimed at addressing, because SADC did not wish to do so.

The diplomatic consensus approach, together with the lack of an adequate results culture, is consistent with an organisational culture characterised by a higher power distance collectivist culture, where process, consensus and respect for hierarchy are more important than results (Hofstede, 1980, 1991).

<u>**Complexity**</u>

The complexity of EDPs is assessed to be a major factor in UN effectiveness, as by their nature such problems are very difficult to fix. Yet this complexity has been poorly understood and barely acknowledged by the UN, donors and developing countries. UN and donor programme and project manuals provide little or no targeted guidance on addressing complex problems, substantially reducing UN effectiveness. For example, the PEI did not initially recognise the complexity of addressing EDPs and learnt through a difficult and drawn out process of trial and error how to address them.

Factors exogenous to the UN programme or projects, such as pre-existing country conditions are also key complexity elements impacting on UN effectiveness. Higher-level political-economy issues can be a key complexity factor that cannot be addressed at the programme level. No matter how well a programme is designed, if it conflicts strongly with a higher-level political-economy issue it will most likely not achieve its objectives.

From the discussion above, it is evident these elements are linked, and also that some fall under more than one category. For example, an inadequate results culture contributes to a lack of action in addressing UN co-ordination problems. The interconnected and overlapping causes of the UN's inadequate effectiveness in addressing EDPs was highlighted in the Problem Tree Analysis. This suggests that a comprehensive approach is needed to substantively improve UN effectiveness in addressing EDPs and more generally. A successful comprehensive approach will require strong leadership.

14.3   Leadership: The Key Factor In Determining UN Effectiveness

Given the degree of success with the PEI and other programmes and the number of reports on how to improve UN effectiveness, key questions are: Why is the UN not scaling up efforts to address EDPs, particularly as they have a successful model for doing so? Why is the UN not more successfully addressing more general UN effectiveness factors, such as inadequate RBM and poor co-ordination? Under existing UN mandates and rules, much more could be done.

This research concludes that the underlying explanation for this lack of effort is more than anything a failure of leadership at different levels of UN management and by member states, especially as issues have been identified and solutions have been proposed, in many cases repeatedly. Member states continue to tolerate ineffectiveness by not implementing recommendations that would address it. The literature consistently cites the importance of leadership for organisational effectiveness, including for changing organisational behaviour (Cassidy, 2004; Schein, 2004). As Cassidy stated, "major cultural change must come from

the top – leaders at the highest levels must unambiguously back the change" (p7, Cassidy, 2004). Leaders must make sure that the necessary training, incentives and sanctions are put in place to enable and motivate the staff to change. UN officials are highly intelligent and educated. Given the appropriate incentives, sanctions and training, the majority would adapt, not least because retention of UN salary and benefits, such as education allowances for children, remains a powerful incentive.

In this study, a pattern emerged whereby UN staff identified ineffectiveness factors and improvement strategies, but did not raise them publically in, for example, programme design and review meetings. This reflects their assessment that raising issues is unlikely to bring about improvements and may upset management and it is symptomatic of a 'don't rock the boat' organisational culture. If UN managers were clearly supportive of positive change and empowered staff to contribute actively, with tailored incentives to reward improved delivery, most staff would also change. Evidence that staff would do so is from the World Bank, which has an equally diverse range of staff from all over the world and is assessed to be a substantially more results-based organisation than the UN (DFID, 2011a). The research by Selmer and de Leon (1996) which indicates that national staff working for multinational company subsidiaries in different countries adapt their organisational practices to those of the parent company also indicates that UN staff could change. A example of where the UN sets and maintains high organisational culture standards is how well its staff from over 180 countries work together. All UN staff know that any evidence of racial intolerance is absolutely unacceptable and so examples of this are virtually non-existent. If the UN applied the same unequivocal approach to its RBM systems and culture, backed by comprehensive RBM training, its effectiveness would improve very significantly.

Some of the most detailed criticisms of the UN and recommendations for change have come from former very senior UN staff (Jenks and Jones, 2013; Malloch-Brown, 2007). The fact that even senior staff were unable to significantly change the UN from within suggests that the problems reducing UN effectiveness are deeply rooted and, consequently, that addressing them requires very strong, on-going leadership from top and senior UN managers and member states.

Leadership is also relevant to UN effectiveness in the face of national level factors such as substantive capacity constraints, inadequate levels of government commitment and corruption. As the former Deputy Executive Director said to member states when discussing their requests for UNEP assistance, "You have to do your part, too". Strong leadership is necessary to set and adhere to programme and project objectives.

The UN has introduced a significant number of management reforms over the years, such as RBM, new oversight and audit bodies and the restructuring of the Secretariat, but these have not brought sufficient improvements in effectiveness. This is likely to reflect insufficient effort in changing UN organisational culture, which is at least implicitly recognised in the UNDP programming manual (UNDP, 2009). This could also reflect insufficient recognition of the differences between management and leadership and the need to focus on both to bring about successful change. Management is primarily focused on "making the best use of resources" (i.e. efficiency), whereas leadership is "the projection of personality and character to get subordinates to do what is required of them and to engender within them the confidence that breeds initiative and the acceptance of risk and responsibility" (p7.6-7.7, NZDF, 2008).

New management systems and other management changes will not be sufficiently successful unless there is also a focus on changing organisational culture, a process that requires strong leadership. Arguably, one of the most obvious examples of the leadership failure of UN senior management is that the majority of UN agencies do not have compatible financial and programme management systems, which greatly inhibits co-ordination and imposes much higher transactions costs. This is a continuing problem, as evidenced by the new Enterprise Resource Planning (ERP) management system for the UN Secretariat, costing more then US$300m, which is incompatible with existing ERP systems in other UN bodies, over budget and years behind schedule (UN Board of Auditors, 2012).

An example of how both senior management and member states share responsibility for the failure to address UN ineffectiveness factors is the lack of UNDP and UNEP co-ordination. Senior managers in UNDP and UNEP and at UN HQ could take substantive additional steps to improve co-ordination between the two agencies. Member states, particularly donor member states, have repeatedly identified the lack of co-ordination between UNDP and UNEP as a major issue, but have not introduced meaningful incentives and sanctions to ensure the two agencies co-ordinate properly. Member states have the power to do this, as they run the governing bodies of UNDP and UNEP and approve budgets and programmes. For example, they could direct the two agencies to co-ordinate with each other and set out indicators of achievement and budget approval modalities to ensure that this occurs.

Limits on the leadership role of the UN Secretary-General (UNSG) imposed by member states reduce the ability of the UNSG to introduce mandatory steps to address UN ineffectiveness factors. The failure to remove or at least substantively reduce these limits is the responsibility of member states, as is the inadequate support for One UN reform by a significant number of member states. Root causes of insufficient action to address UN ineffectiveness factors include a desire of member states to protect their sovereignty and to

ensure the UN does what they wish, rather than what needs to be done to enable the organization to fulfil its mandate (Kennedy, 2006; MacQueen, 2010; Mazower, 2012; Schaefer, 2009). It is highly unlikely that the UN will ever have the powers of the European Commission, for example, to direct European Union (EU) member states to clean up their beaches to certain standards and fine them if they fail to do so. This substantively diminishes the effectiveness of the UN to address EDPs and other problems.

The continued failure of repeated UN reform efforts is evidence of fundamental, entrenched problems in the UN. For example, former senior managers have clearly identified deep-seated problems and suggested solutions that they proved unable to implement when working for the organisation (Jenks and Jones, 2013; Malloch-Brown, 2007). These major problems and their negative impact on the achievement of development goals should not continue to be tolerated. The Secretary-General should prepare a robust report to all member states summarising the issues, the failure of reform efforts to date and their consequences in terms of UN efforts to address development problems, including EDPs. This report would identify factors that contribute to this failure and clearly outline steps needed to address them, including in terms of UN-Bretton Woods co-ordination. The report should include a recommendation that if member states decide not to act at least broadly consistent with his recommendations, that the UN phase out all operational programmes and projects to address development problems, including EDPs. In that case, the UN should adopt a normative role, making it clear that the responsibility for addressing development problems rests with governments, donors and the development banks. The UN would focus on peace and security, governance, human rights, humanitarian assistance, and the design of normative standards in the environment and development fields. It would include a focus on identifying what needs to be done, how it needs to be done and how much it would cost at global, regional and country levels, rather than itself trying to do what needs to be done. In line with this, a former UN Resident Co-ordinator suggested that the UN could focus on "helping others [i.e. governments, donors and the development banks] use their money effectively."

In summary, organisational culture factors are key reasons for the persistence of development aid design inadequacies. These factors include a weak results-based management culture at many levels, lack of an adequate learning culture and, above all, a failure of leadership to take the steps necessary to address these flaws. In the case of the member states, it is a lack of sufficient commitment to implement the recommendations and conventions that they themselves have requested, which reflects weak leadership on their part. In the case of complex development problems like EDPs, the impact of such

ineffectiveness factors is more evident, as the more complex a problem is, the more important it is to apply good development aid design practice, including strong leadership.

14.4   Key Elements of a Model to Address EDPs

The case study analysis plus evaluation and other reports indicate that the UNDP-UNEP PEI programmatic approach to poverty-environment mainstreaming contains most of the key elements of a model that could effectively address EDPs. The current approach does, however, require some enhancements in design and application to become a fully effective model (Bass and Renard, 2009; PEM Consult, 2011; UNDP, 2012; UNDP-EO, 2010). Necessary improvements include a stronger focus on the poverty and broader development side of EDPs, together with the current strong emphasis on environment. Additionally, the model does not provide adequate guidance on how to address the complexity of EDPs. Appropriate approaches include proactive adaptive management, a strong country PEI team backed by skilled technical advisory support and quality assurance from the regional level.

The elements of a model to address EDPs appear in Tables 14.2, 14.3 and 14.4. Table 14.2 sets out the programmatic elements (i.e. the tasks that need to be accomplished to address EDPs); Table 14.3 shows the implementation modalities; and Table 14.4 presents the desired results. The elements included in Table 14.2 are based on the UNDP-UNEP PEI model contained in the PEI handbook and elaborated in Case Study 4, the PTA and evaluation reports (PEM Consult, 2011; UNDP EO, 2010; UNDP-UNEP PEI, 2009).

Table 14.2 Programmatic Elements of a Model EDPs Programme

	Programme Elements
1	**Problem and situational analysis** Carry out a comprehensive analysis of the problem and situation at the country level, including a focus on development issues, institutions and processes.
2	**Economic analysis of environment-development linkages** Collect detailed economic evidence of the costs of EDPs and the economic benefits of a higher policy and budgetary/investment priority for addressing EDPs to convince development planning decision-makers that addressing EDPs will help achieve key development priorities such as poverty reduction and food security.
3	**Integration of environment-development objectives in national, sector and district level development plans** Engage in development planning processes at national, sector and district levels to integrate results-based policy objectives aimed at addressing EDPs and to ensure plans, programmes and projects are designed to implement these objectives, e.g. soil erosion control and water quality targets.
4	**Development of policies, plans, programmes and projects to implement environment-development objectives**

	Programme Elements
	Engage in national, sector and district level processes preparing policies, plans, programmes and projects to ensure they include actions to implement environment-development objectives.
5	**Allocation of budgets to implement environment-development objectives** Engage in budgetary and investment processes to increase budgetary and other allocations for implementing EDP objectives.
6	**Monitoring implementation of environment-development objectives** Integrate EDP objectives into the national development planning monitoring system to monitor the implementation of EDP objectives. Use the monitoring results to design corrective steps where implementation is lagging.
7	**Capacity building** Design a longer-term capacity building programme on how to quantify EDPs. Design and integrate actions into national development planning and budgetary processes to address EDPs.
8	**Donors** Design and implement a strategy to influence in-country donors to provide increased funding to address EDPs.

These elements are not necessarily applied in a sequential manner; for example, a strategy to influence donors should be carried out in the early stages. Also, the decision to proceed with a country EDP programme or project should be based on scoping missions that confirm suitable country conditions for an EDP programme and set robust conditionalities. What is done (i.e. programmatic elements) is critical, but how it is done (i.e. implementation modalities) is also critical to successfully address EDPs.   Table 14.3 lists the key implementation modality elements drawn from the PEI programmatic model reviewed in the UNDP-UNEP PEI Case Study analysis, the PTA, evaluation reports and independent discussions and interviews (Bass and Renard, 2009; PEM Consult, 2011; UNEP, 2006).

 Table 14.3 Implementation Modality Elements of a Model to Address EDPs

	Implementation Modality Elements
1	**Ensure there is adequate staff capacity and time to implement EDP programmes and projects.** Have a strong EDP programme team in-country, backed by a regional EDP team that provides timely, pro-active technical advisory and quality assurance support.
2	**Adopt a full RBM approach.** Ensure that both good RBM systems and a strong RBM culture are applied.
3	**Apply a comprehensive programmatic approach.** Develop and fund a comprehensive, medium-long term country-specific programme, taking a cross-government approach focused on influencing existing national

	Implementation Modality Elements
	development planning processes, consistent with the enhanced EDP model based on the PEI model.
4	**Focus adequately on the development side of EDPs.** Ensure the focus is on environment-development linkages such as poverty-environment linkages, rather than conventional environmental sustainability. That is, focus on how environmental sustainability can help achieve development objectives.
5	**Ministry responsible for national development planning leads the EDP programme/project.** The ministry responsible for national development planning should lead the EDP programme. The EDP programme or project should aim to convince development planning decision-makers that environmental sustainability will help achieve development goals, so that pro-poor environmental sustainability goals are integrated into development plans at different levels.
6	**Ensure deep on-going engagement in national development planning processes.** This includes engagement in different working groups, such as the EDP-relevant working groups, the cross-cutting working group and overall development plan co-ordinating committee. It also includes providing substantive, technically robust inputs backed by economic evidence of the value of sustainable environment and natural resource use.
7	**Apply appropriate management and technical advisory modalities, including those suited for addressing complex problems.** Apply adaptive management as a technique to successfully address complex problems, including to reflect their non-linear nature. Be energetic and persistent, using monitoring results to improve results. Lobby pro-actively. Identify and seize opportunities for addressing EDPs, that is, be a policy entrepreneur.
8	**Use outputs pro-actively to generate change.** Ensure pro-active use of outputs to generate change – i.e. Do not leave the outputs sitting on shelves, rather use the findings and recommendations of outputs. Communicate effectively key messages based on economic evidence as to how environmental sustainability can help achieve development goals. Prepare and actively use policy briefs on how environmental sustainability can help achieve development goals. Edit key messages and policy briefs to target different audiences – MPs, economists in ministries of planning and finance, the media etc. In summary, use evidence to convince decision-makers to increase the policy and budgetary priority they assign to addressing EDPs. Try and demonstrate how addressing EDPs is aligned with political-economy issues.
9	**Actively monitor the implementation of environment-development objectives.** Ensure continuing monitoring and feed the results of monitoring back into programme or project implementation so that, where necessary, it is adjusted to reflect on-going implementation lessons. That is, be a learning programme or project.
10	**Agree and implement conditionalities.** Agree on conditionalities before making a commitment to develop and fund a programme or project to address EDPs. Critically, apply these conditionalities.

	Implementation Modality Elements
11	**Recognise developing country realities, particularly government official commitment factors.** Build results-based incentives into programmes and projects to motivate key government counterparts, e.g. training opportunities, meeting allowances *et cetera.*

Based on the UNDP-UNEP PEI experience an effective programme or project to address an EDP would ideally produce results consistent with the content of Table 14.4. Results 5 and 6 designed to ensure sustained improvements.

Table 14.4 Expected Results from an Effective EDP Programme or Project

	Results
1	Objectives aimed at achieving both environmental and natural resource sustainability and development goals are included in national and sector development plans (e.g. soil erosion reduced by X% by 2020).
2	There are indicators attached to these objectives.
3	The indicators are included in the national and sector development plan implementation monitoring system; data is collected, reported on over time and used to improve implementation.
4	Increased budgets are allocated to address the EDP(s), particularly in EDP sectors such as agriculture, water, energy and forestry etc.
5	Donor and private sector country-level financial allocations for addressing EDPs are increased.
6	Longer-term capacity building programmes to address EDPs for relevant government ministries are put in place. (Ministries of Planning/Finance, Environment and key ENR sector ministries like agriculture)

14.5   Recommendations

Table 14.5 presents recommendations for improving UN effectiveness in addressing EDPs, as well as UN effectiveness in general. Recommendations having more general applicability for improving UN effectiveness are signaled by the inclusion of 'WA' (Wider Applicability) in the table.

1.   Modify the UNDP and UNEP PEI model to address weaknesses and for wider applicability to address EDPs.

While overall UN effectiveness was rated as less then moderate in addressing EDPs, the growing experience and success of the UNDP-UNEP PEI (Case Studies 2 -4) has led to a

credible EDP model that should be more widely applied by the UN. This assessment was recognised in the PEI evaluation and the UNDP Poverty-Environment Nexus report (Bass and Renard, 2009; UNDP EO, 2010). However, the model requires enhancements. These include a better focus on the poverty and broader development side of EDPs to reflect the complexity of the issue, as well as more appropriate management techniques (such as delegated adaptive management) to deal with said complexity. Application of the improved model should be embedded as a Standard Operating Procedure (SOP) though incorporation into programme manuals and training programmes.

2.   Substantively scale-up UNDP and UNEP efforts to address EDPs.

This recommendation reflects a key finding that while UNDP and UNEP have developed a successful model for addressing EDPs, the current level of effort allocated for this programme is very low. Thus, a critical requirement for improving UN effectiveness is for the two agencies to significantly increase their efforts to address EDPs.

3.   Increase focus on persuading donors to make addressing EDP programmes a budget priority.

Another conclusion was that even if the UN substantially scaled-up its EDP programmes, the scale of EDPs is so large that UN resources would not be sufficient to address them. Therefore, it is very important to persuade key donors to make addressing EDPs a higher priority within their programmes and budgets.

4.   Implement UNDP-UNEP MOU in full.

Effectively addressing EDPs is greatly assisted by a joint programming approach between UNEP and UNDP. Unfortunately, the implementation of the UNDP-UNEP MOU, the umbrella agreement for inter-agency co-operation, continues to be slow and suggests inadequate commitment to co-operation between the two agencies. One result is that joint programming to address EDPs has not increased significantly. Full implementation of the MOU, including commitment to the co-ordinated development and implementation of respective agency work programmes, is thus recommended.

5.   Revise UNDP and UNEP programming and project manuals to improve guidance on addressing complex policy problems and apply appropriate programme and project implementation modalities.

The PTA identified the complex nature of EDPs, while the literature identified the complexity of many development problems and set out techniques to address such problems. However, UNDP and UNEP programme and project manuals do not adequately reflect the complex nature of many development or environment problems, let alone of EDPs, and thus do not provide sufficient guidance. Further, key effectiveness factors are pro-active,

responsive management and energetic use of outputs to generate change. These factors are inadequately reflected in current manuals.

6.   Carry out more training and stronger incentives and sanctions for UNDP staff to develop a strong RBM culture.

Good RBM systems, competence in their application (development aid design) and a strong commitment to RBM (organisational culture) are key effectiveness factors. While UNDP has good RBM systems and a reasonable level of competence in their application, it has not yet developed an adequate results-based culture. As a RBM culture is a key contributor to development aid organisational effectiveness, the reasons for this shortcoming need to be identified and addressed.

7.   Reform UNDP business model and practices.

UNDP is the most important UN agency for addressing EDPs and a range of other development problems at the country level. Yet the Case Study analysis and PTA indicate that its business model at the country level is not well suited to addressing EDPs and other complex policy development problems. For example, there is a tendency to prioritise projects that bring in fees and the number of international professional staff is inadequate in UNDP country offices. The grossly excessive workload in UNDP country offices is counterproductive, as is the imbalance between the time spent focusing on day-to-day management and programme administration and the time spent focusing on higher-level policy and capacity issues within government. In addition, UNDP business practices for procurement, recruitment and other administrative procedures are cumbersome and degrade UNDP's effectiveness, particularly when coupled with work overload and, at times, the inadequate capacity of local staff in developing countries.

8.   Substantially strengthen UNEP RBM systems and culture.

UNEP has substantially less experience with RBM than UNDP and other UN agencies. It's RBM manual and associated training material are still under development. UNEP RBM culture is substantially weak. A markedly higher level of effort is needed to improve UNEP capacity to apply RBM. Strong leadership from UNEP and UN HQ is required to improve RBM culture across UNEP at different levels.

Table 14.5 Recommendations

Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
1. UNDP-UNEP	Development Aid Design, (DAD)	Model based on PEI essentially appropriate but needs some enhancements	**C 2:** The UN has a largely successful model for addressing EDPs based on the UNDP-UNEP PEI model.	**1 Modify the UNDP and UNEP PEI model to address weaknesses and for wider applicability to address EDPs.** a) Modify PEI model to include more focus in particular on the poverty and broader development side of EDP problems, the complexity of EDPs, implementation modalities etc. = appropriate model for addressing EDPs. b) Revise UNDP-UNEP PEI mainstreaming guidelines to incorporate modifications and to target EDPs more generally. c) Conduct comprehensive training on the application of the modified manual.	UNDP and UNEP units leading on addressing EDPs
2. UNDP-UNEP	Development Aid Design, (DAD), Organisational Culture (OC)	Current scale of UN efforts to address EDPs inadequate.	**R 4:** Insufficient resources allocated by the UN to addressing EDPs and insufficient focus on increasing donor resource allocation for addressing EDPs.	**2 Substantively scale-up UNDP and UNEP efforts to address EDPs.** a) UNDP senior management ensure Regional Bureaux & UNDP country offices prioritise addressing EDPs in programmes and budgets and implement other recommendations of the Poverty-Environment Nexus evaluation. b) UNEP senior management provide substantive additional resources and ensure that other UNEP projects with environment-development issues apply enhanced EDP model. c) UNDP and UNEP senior management develop a strategy to convince other UN agencies to focus on addressing EDPs in a manner consistent with EDP model, particularly through the UN Development	UNDP and UNEP senior management

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Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
				Group & directly with other key UN agencies, such as FAO.	
3. UNDP-UNEP	Development Aid Design, (DAD)	Current scale of efforts in general to address EDPs inadequate.	**R 4:** Insufficient resources allocated by the UN to addressing EDPs and insufficient focus on increasing donor resource allocation for addressing EDPs.	**3 Increase focus on persuading donors to make addressing EDP programmes a budget priority.** a) Prepare a strategy that focuses on demonstrating how addressing EDPs will help achieve donor priority objectives of poverty reduction and broader development goals. b) Obtain active support from top management of UNDP and UNEP to lobby donors.	UNDP and UNEP units leading on addressing EDPs and senior management, donors
4. UNDP-UNEP	DAD, OC, WA (Wider Applicability)	UNDP and UNEP not sufficiently co-ordinating joint addressing of EDPs.	**R 5:** Poor co-ordination between UNDP and UNEP and across the UN.	**4 Implement UNDP-UNEP MOU in full.** a) Prepare a strategic plan to implement MOU in full, to include key objectives, targets and indicators, including co-ordinated design and implementation of agency environment work programmes. b) Set up a donor oversight mechanism for MOU implementation. c) Secretary-General to include in S-Gs performance compact with UNDP and UNEP Heads of Agencies full MOU implementation with objectives, targets and indicators as per a. d) Donors to make implementation of the MOU conditionality for funding.	UNDP and UNEP Heads of Agencies; Secretary-General, Donors
5. UNDP-UNEP	DAD, OC, Complexity (CMPX), WA	Current programming and project manuals do not	**R 7:** Complexity of addressing EDPs and some other development policy	**5 Revise UNDP and UNEP programming and project manuals to improve guidance on addressing complex policy problems and appropriate programme and project implementation modalities.**	UNDP Bureau of Management, UNEP Office for Operations

Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
		include enough guidance on addressing complex policy problems or on key implementation modalities that improve effectiveness.	problems not adequately understood or reflected in UN programme and project design and implementation. R 1: Inadequate RBM systems and culture in general and particularly in terms of EDPs.	a) UNDP prepare manual on addressing complex development problems such as EDPs and strengthening guidance on effective implementation modalities. b) UNDP and UNEP to revise their programming manuals accordingly. c) UNDP and UNEP to conduct training on outputs of recommendations 4a + b.	
6. UNDP	DAD, OC, WA	RBM systems are generally good but RBM culture not adequate.	R 1: Inadequate RBM systems and culture in general and particularly in terms of EDPs. R 2: Inadequate organisational learning.	**6 Carry out more training and stronger incentives and sanctions for UNDP staff to develop a strong RBM culture.** a) Identify gaps and reasons for remaining gaps in RBM culture. b) Develop training packages and staff incentives and sanctions targeting gaps. c) Stronger and consistent support from different levels of management for RBM culture.	UNDP Bureau of Management
7. UNDP	DAD, OC, WA	Business model at country level not adequate for higher level and complex	R 7: Complexity of EDPs not adequately understood R 1: Inadequate RBM systems and culture in	**7 Reform UNDP business model and practices.** a) Reform business model at country level to increase numbers of international professionals, decrease focus on smaller projects and increase focus on higher-level policy issues. b) Review financial and administrative approval and	UNDP Senior Management; Bureau of Management

Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
		policy problems; Business practices too complicated and slow.	general and particularly in terms of EDPs. **R 2:** Inadequate organisational learning.	processing systems, including procurement, and provide recommendations for reform.	
8. UNEP	DAD, OC, WA	RBM systems still being introduced and RBM culture weak.	**R 1:** Inadequate RBM systems and culture in general and particularly in terms of EDPs. **R 2:** Inadequate organisational learning.	**8 Substantially strengthen UNEP RBM systems and culture.** a) Prepare substantive RBM training package based on existing UN material to save time. Ensure compatibility of UNEP RBM guidelines with UNDP and UNDG RBM manuals. Include RBM targeting different levels, from project design to top management. b) Substantive, compulsory, on-going training on RBM by RBM specialists for all staff. c) UNEP senior management increase support for RBM systems and culture in UNEP. d) SG's office to carry out a review of UNEP RBM systems and culture and enforce recommendations.	UNEP top and senior management; SGs office; OIOS
9. UN System	DAD, OC, WA	Repeated attempts at UN reform spanning decades have largely failed to address identified UN	**R 1:** Inadequate RBM systems and culture in general and particularly in terms of EDPs. **R 2:** Inadequate organisational	**9 UN Secretary-General submit a frank report to all member states on the failure of UN reform to address problems with the UN development system that sets out necessary reform actions.** a) The report should identify the problems, their consequences and causes and set out concrete reform actions. b) The report should recommend the phasing out of UN	SG, UN member states

Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
		problems, particularly with respect to the UN development system.	learning. **R 5:** Poor co-ordination between UNDP and UNEP and across the UN. **R 6:** Diplomat consensus-style decision-making structures, modalities and organisational culture.	support for operational programmes and projects to address development problems (including EDPs) if the reforms are not broadly implemented.	
10. UN System	DAD, OC, WA	UN audit, corruption, management, efficiency and effective investigative functions have substantive weakness, as identified by JIU and others.	**R 3:** Management systems poor at ensuring evaluation findings and recommendations from other reports are implemented. **R 2:** Inadequate organisational learning.	**10 Fully implement the recommendations of the Joint Inspection Unit report "The investigations function in the United Nations System – JIU/RPE/2011/7".** a) Implementation should be accompanied by the design and implementation of effective incentives and sanctions to ensure compliance by UN staff at all levels and contribute towards a wider and deeper UN results-based culture.	SG, UN Senior Management, UN member states
11. UN System	DAD, WA	UN agencies have incompatible	**R 5:** Poor co-ordination between UNDP and UNEP and	**11 Harmonise ICT, financial and programme management systems as well as procurement and HR procedures across the UN System to ensure**	SG, heads of agencies, UN member states.

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Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
		ICT, financial and programme management systems, different procurement and HR procedures. This makes addressing EDPs more difficult and substantively reduces UN effectiveness in general.	across the UN.	**compatibility.** a) Bring in outside consultants to identify best practice across the UN system and the most cost-effective manner and timelines to ensure compatibility. b) Donors introduce firm funding conditionalities to support harmonisation. c) Agency heads have successful harmonisation as a condition of contract.	
12. UN System	DAD, OC, WA	Lack of adequate programme co-ordination mechanisms makes addressing EDPs more difficult and substantively reduces UN effectiveness in general.	**R 5:** Poor co-ordination between UNDP and UNEP and across the UN.	**12 Substantially strengthen programme co-ordination mechanisms by introducing a "central authority to compel compliance by organisations of the [UN] system to act in a concerted manner" (UNDG, 2011).** a) Make the CEB the central authority b) Strengthen to ensure effective co-ordination of UN agency programme development, prioritisation and implementation and also between the UN and the Bretton Woods institutions. c) Strengthen the UNDG, with chair upgraded to the SG. d) Make application of UNDG guidelines mandatory. e) Strengthen co-ordination at the country level with	SG, heads of agencies, UN member states

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Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
				country level version of central authority to compel compliance. The UNRC to have line management authority over the other UN agencies work programmes in-country. The UNRC would act as the UN equivalent of a Prime Minister.	
13 UN System	OC, WA	UN organisational culture is a key effectiveness factor but this is not adequately focused on in UN reform efforts.	**R 1:** Inadequate RBM systems and culture in general and particularly in terms of EDPs. **R 2:** Inadequate organisational learning. **R 6:** Diplomat consensus-style decision-making structures, modalities and organisational culture.	**13 Design and implement a comprehensive strategy to change UN organisational culture.** a) Design and implement an overall strategy plus agency- specific organisational change programmes. b) Put strong incentives and sanctions in place for Heads of Agencies to implement the strategy.	SG, heads of agencies, UN member states
14. UN System	DAD, OC, WA	The UN does not have any system-wide development doctrine to guide how	**R 5:** Poor co-ordination between UNDP and UNEP and across the UN.	**14 UN develop a UN System-wide development doctrine.** a) Develop an overall system-wide development doctrine. b) Ensure UN agency corporate plans, strategies etc. are consistent with the doctrine.	SG, heads of agencies, UN member states

Target	Problem Type	Problem Description	Relevant Research Findings. (Conclusion 1 applies to all)	Recommended Solution	Responsibility
		agencies should conduct their activities in a consistent manner. This makes is more difficult to ensure co-ordinated and coherent efforts to address EDPs and other UN tasks.			

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9.   **UN Secretary-General submit a frank report to all member states on the failure of UN reform to address problems with the UN development system that sets out necessary reform actions.**

Repeated efforts at reform have failed to deliver the necessary changes to make the UN more effective in addressing development problems in general. Senior UN management and member states share responsibility for this failure. It is time for the Secretary-General to set out the issues more clearly and frankly in front of member states. If member states will not agree to the reforms needed to fix the UN development system, then the UN should phase out operational programmes and projects to address these development problems. This approach is preferable to the current situation, which is like trying to win the Grand National year after year on a horse with major leg problems when the owner, trainer and jockey all know the horse is not fit for purpose, but do not treat the horse's injuries or replace the horse.

Recommendations 10 to 14 focus on UN System-wide reform and do not represent an exhaustive list.

10.   **Fully implement the recommendations of the Joint Inspection Unit report "The investigations function in the United Nations System – JIU/RPE/2011/7".**

The UN has a number of audit, anticorruption, management efficiency and effectiveness-focused investigative bodies. These include the Office for Internal Oversight Services (OIOS), the Independent Audit Advisory Committee (IAAC) and the Joint Inspection Unit (JIU). The JIU is the most independent of the investigative bodies but only has 11 inspectors (https://www.unjiu.org/en/about-us/Pages/default.aspx). The above JIU report recommends major changes to the UN investigative functions, having identified a number of problems, including those uncovered in earlier investigations. If the UN senior management and member states are serious about improving UN effectiveness, all recommendations should be implemented in a timely manner and accompanied by the design and implementation of effective incentives and sanctions for all UN staff to ensure compliance at all levels. This would also significantly contribute to a wider and deeper UN results-based culture.

11.   **Harmonise ICT, financial and programme management systems as well as procurement and HR procedures across the UN System to ensure compatibility.**

The failure of the UN to ensure that it has compatible and/or consistent information and communications technology (ICT), management systems is arguably the most obvious example of the lack of UN System coherence. This seriously reduces UN effectiveness, especially because it makes it substantially more difficult for agencies to work together.

12   Substantially strengthen programme co-ordination mechanisms by introducing a "central authority to compel compliance by organisations of the [UN] system to act in a concerted manner" (UNDG, 2011).

The UN has put in place mechanisms and produced best practice guidelines and procedures to co-ordinate programme development and implementation at the global, regional and country level. However, none of these mechanisms is mandatory and they are therefore ineffective, including for UN-Bretton Woods co-ordination. This is a very serious impediment to UN effectiveness.

13   Design and implement a comprehensive strategy to change UN organisational culture.

While improving RBM systems and culture is included above under recommendations 6 and 8, the focus there is more on programme- and project- related organisational culture. A more comprehensive approach to changing UN organisational culture at all levels is required to address, for example, the senior management-related organisational culture issues referred to by the Secretary-General in his Turin speech (Moon, 2008).

This recommendation reflects that none of the substantive UN reform initiatives has included a specific or substantive focus on organisational culture, despite the organisational effectiveness literature highlighting its importance. While programme and project manuals refer to the need for a results-based culture, they do not include guidance on how to develop such a culture (UNDP, 2009). Unless organisational culture changes, reforms will not deliver on their potential.

14.   Develop a UN System-wide development doctrine.

In addition to the lack of effective co-ordination mechanisms in the UN, the organization lacks a System-wide development doctrine that would provide it "with a common philosophy, a common language, a common purpose and a unity of effort" (p1.2, NZDF, 2008). This means that different agencies within the UN do things differently. For example, agencies have different interpretations of RBM. Various guidelines by the UNDG provide elements of a doctrine, but these are neither consolidated nor mandatory. Combined with the lack of compatible financial and programme management systems, as well as inadequate programme co-ordination mechanisms, UN unity of effort is not possible.

14.6   Contribution to Knowledge

The research has identified and defined EDPs as a particular type of development problem, based on earlier but less comprehensive approaches to what the UN refers to as the poverty-environment nexus (UNDP-EO, 2010). It has developed and successfully applied a comprehensive methodology to assess UN effectiveness in addressing EDPs. In doing so the research has also developed a more comprehensive methodology for assessing broader UN

and development aid effectiveness and the reasons for it than is found in the literature on development aid effectiveness or in reports on UN reform. (Some modifications would be required its application to other development problems, such as changes to the indicators of achievement in the evaluation framework). For example, organisational culture and complexity factors have not been previously identified in any detail as factors impacting on UN effectiveness.

The research has demonstrated how the application of the UN's peace and security based diplomatic consensus model to UN programme and project implementation and to UN inter-agency programmatic co-ordination at different levels reduces UN effectiveness when addressing concrete development problems, including EDPs.

While RBM has been subject to a range of criticisms in the literature, the research found that, while not perfect, current RBM systems are adequately designed and with correct application result in appropriately designed projects and programmes, *ceteris paribus*. However, for addressing EDPs and other complex problems some enhancements to the application of RBM is required, including improved implementation modalities.

The research has identified and demonstrated the importance of organisational culture as an explanatory variable for development aid effectiveness, which has not been found to date in the literature on development aid effectiveness. The importance of different aspects of organisational culture to UN effectiveness was demonstrated, including inadequate results culture, poor organisational learning and weak leadership. Organisational culture in developing countries was also found to be an important factor in development aid effectiveness. The magnitude of the impact of organisational culture on UN and more general development aid effectiveness identified in the research implies that a significant increase in development aid effectiveness requires a substantive focus on organisational culture. This is consistent with the literature on organisational effectiveness in the private sector, the civil service and in the military, which identifies organisational culture as an important effectiveness factor. In so doing, the research has made a contribution to development economics.

The research also strongly reinforced the literature that identified the value of in-depth observation to probe beneath the surface to identify "…the way things really are…" and the reasons why they are so (Schein, 1990; p16 Trompenaars and Pru'Homme, 2004).

It has also shown that the failure of UN reform to include any substantive focus on changing UN organisational culture is a likely explanatory variable for these reform efforts being less successful than intended and thus provides guidance from improving UN reform efforts.

It has highlighted the need for more explicit and official recognition by the UN and other donors of developing country realities; such as the very low pay of government officials and the impact this has on development aid effectiveness, including from an organisational culture perspective.

It has provided evidence of how higher-level political-economy factors impact significantly on the effectiveness of individual aid programmes and projects and thus reduce UN effectiveness, as the UN is not well placed to address such higher-level factors. This in turn highlights the need for the UN and the Bretton Woods institutions to co-ordinate adequately to address these political-economy factors.

Further, it has identified and detailed the complexities of EDPs and how they impact on UN effectiveness, which has wider relevance for development aid effectiveness and furthers the work carried out by others on how to deal with complexity successfully in the development aid context (Hummelbrunner, R. & Jones, H., 2013, 2013a; Roberts, 2012). It has also demonstrated the validity of guidance provided by such authors on how to address complex and wicked problems and has provided more in-depth and detailed guidance on how to address them. Additionally, it has demonstrated the importance of organisational culture factors in addressing complex problems – for example, the value of pro-active adaptive management modalities.

It has demonstrated the inter-linkages between development aid design, organisational culture and complexity with respect to development aid effectiveness, which implies that efforts to improve UN and broader development aid effectiveness need to reflect these linkages.

Not only has the research developed a more comprehensive methodology for assessing UN effectiveness, it has also developed a more comprehensive model than currently exists for designing and implementing more effective programmes and projects to address EDPs and other complex policy development problems. This model incorporates development aid design, organisational culture and complexity factors, all of which the research found were important in determining UN programme and project effectiveness.

It has found that the lack of a UN system development doctrine (or equivalent) reduces UN effectiveness in addressing development problems, including EDPs. Moreover the findings of the research provide significant contributions to the drafting of any such doctrine. For example, an effective UN development doctrine would need to reflect the linkages between development aid design, organisational culture and complexity.

The research has found that implementation modalities are key factors in the effectiveness of UN programmes and project to address EDPs and more broadly. It has also demonstrated

that applying conditionalities can be effective at the programme and project levels, in contrast to some of the literature (Morrissey, 2004).

The research has also provided examples of how elements of how militaries operate could usefully be applied to improve UN effectiveness. For example, militaries have doctrine and effective co-ordination systems to ensure unity of effort, they recognise the importance of organisational culture and appropriate implementation modalities plus they have systems for managing complex problems.

14.7   Further Research

Areas for more research include identification in more detail of the links between organisational culture and development aid effectiveness, including in relation to other factors more commonly identified as impacting on development aid effectiveness. Additional research to identify UN organisational culture in detail, including in different UN agencies would be useful. A comprehensive analysis of the effectiveness of UN Chief Executive's Board and its associated bodies from both a development aid design and organisational culture perspective is recommended. Research on the working relationship between the UN and the Bretton Woods institutions focusing providing recommendations to improve co-ordination and coherence is another area for further research.

14.8   Final Comment

To the majority of the public, the UN is a somewhat confusing organisation, as expressed by exasperated statements such as, *"But why doesn't the UN do something?"* So, too, the issues that reduce UN effectiveness are confusing to many people. To put the issues that impede UN effectiveness in the context of another very large bureaucracy that the public understands better and that provides many lessons for improving UN effectiveness: If the UN were an army, it would be an army without doctrine, an army where the Chief of General Staff (CGS) did not have the legal authority to issue orders to a number of the different branches of the army, where the CGS had to seek the approval of Parliament to adopt Standard Operating Procedures, where different branches of the army—the infantry, artillery and armour—could largely decide what they would do without effective co-ordinating between them and without needing the approval of the CGS. It would also be an army where a number of the different branches did not train properly together, their radios were incompatible and their rifles used different-sized ammunition. Moreover, it would be an army where Parliament and the generals failed to make real efforts to correct these ineffectiveness factors.

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APPENDICES

Appendix 1: The Millennium Development Goals 298

The Millennium Development Goals are the international agreed development goals adopted as a result of a UN led process. They are the priority development goals for the UN system and the international community and came out of the Millennium Declaration adopted by the 189 member states in September 2000. The most relevant MDGs to EDPs are MDG1 and MDG7.

Source: United Nations Statistics Division, 2012.

Appendix 2:   Chart of the UN System 300

This chart sets out the agencies of the UN System and the relationship between the different parts of the UN System and agency reporting lines. For example, the Department of Economic and Social Affairs reports directly to the Secretary-General. UNDP and UNEP report to the General Assembly rather than the Secretary-General. However, the Secretary-General does have a degree of management authority over the heads of UNDP and UNEP.

Source: United Nations Department of Public Affairs, 2007.

Appendix 3:   Reports to illustrate what the UN actually does at the country level
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This Annex contains two written reports to illustrate the work carried out by the UN at the country level. The first is the Annual Report of the UN Resident Co-ordination in Malawi to the UN Secretary-General. It summarises key issues in the country and reports on delivery of the UN against the UN Development Assistance Framework (UNDAF) outputs. The second document, 'Taxonomy of Instability' in an internal working document that describes and analyses the growing political and social instability in Malawi at that time and its implications for the country and for the UN. This demonstrates how higher level issues can impact on the work of the UN at the country level. Together, the two reports illustrate how UN work at the country level ranges from higher-level political analysis to individual concrete projects – such as providing drugs to combat diseases.

Source: UNRC Co-ordinators Office Malawi, 2012

This appendix explains the choice of indicators in the evaluation framework set out in the Methodology chapter.

This Appendix contains the UNEP Water Policy and Strategy, which was assessed as Case Study 5 in Chapter 9.

Source: UNEP Governing Council, 2000.

This Evaluation was described in Chapter 11 as one of the EDP relevant examples assessed to provide additional information on factors contributing to UN effectiveness in addressing EDPs.

Source: UNDP Evaluation Office, 2010

The UNDP-UNEP MOU is aimed at improving the co-operation between UNDP and UNEP and is one of the examples assessed in Chapter 11. As UNDP and UNEP are the prime UN agencies dealing with EDPs, how they co-operate is very relevant to UN effectiveness in addressing EDPs.

Source: UNDP-UNEP

This speech was made by the Secretary-General to a UN senior managers retreat in 2008. The views expressed by the Secretary-General refer to management and broader organisational culture issues in the UN that in the view of the Secretary-General reduce its effectiveness. This speech is useful also for helping to validate factors suggested by the case study analysis that contribute to UN effectiveness in addressing EDPs.

Source: UN Secretary-General, 2008

Official list of MDG indicators

All indicators should be disaggregated by sex and urban/rural as far as possible.

Millennium Development Goals (MDGs)	
Goals and Targets **(from the Millennium Declaration)**	**Indicators for monitoring progress**
Goal 1: Eradicate extreme poverty and hunger	
Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	1.1 Proportion of population below $1.25 (PPP) per day[a] 1.2 Poverty gap ratio 1.3 Share of poorest quintile in national consumption
Target 1.B: Achieve full and productive employment and decent work for all, including women and young people	1.4 Growth rate of GDP per person employed 1.5 Employment-to-population ratio 1.6 Proportion of employed people living below $1.25 (PPP) per day 1.7 Proportion of own-account and contributing family workers in total employment
Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger	1.8 Prevalence of underweight children under-five years of age 1.9 Proportion of population below minimum level of dietary energy consumption
Goal 2: Achieve universal primary education	
Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	2.1 Net enrolment ratio in primary education 2.2 Proportion of pupils starting grade 1 who reach last grade of primary 2.3 Literacy rate of 15-24 year-olds, women and men
Goal 3: Promote gender equality and empower women	
Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	3.1 Ratios of girls to boys in primary, secondary and tertiary education 3.2 Share of women in wage employment in the non-agricultural sector 3.3 Proportion of seats held by women in national parliament
Goal 4: Reduce child mortality	
Target 4.A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate	4.1 Under-five mortality rate 4.2 Infant mortality rate 4.3 Proportion of 1 year-old children immunised against measles
Goal 5: Improve maternal health	
Target 5.A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	5.1 Maternal mortality ratio 5.2 Proportion of births attended by skilled health personnel
Target 5.B: Achieve, by 2015, universal access to reproductive health	5.3 Contraceptive prevalence rate 5.4 Adolescent birth rate 5.5 Antenatal care coverage (at least one visit and at least four visits) 5.6 Unmet need for family planning
Goal 6: Combat HIV/AIDS, malaria and other diseases	
Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	6.1 HIV prevalence among population aged 15-24 years 6.2 Condom use at last high-risk sex 6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS 6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years
Target 6.B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it	6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs
Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	6.6 Incidence and death rates associated with malaria 6.7 Proportion of children under 5 sleeping under insecticide-treated bednets 6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs 6.9 Incidence, prevalence and death rates associated with tuberculosis 6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment short course

Goal 7: Ensure environmental sustainability	
Target 7.A: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources Target 7.B: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	7.1 Proportion of land area covered by forest 7.2 CO2 emissions, total, per capita and per $1 GDP (PPP) 7.3 Consumption of ozone-depleting substances 7.4 Proportion of fish stocks within safe biological limits 7.5 Proportion of total water resources used 7.6 Proportion of terrestrial and marine areas protected 7.7 Proportion of species threatened with extinction
Target 7.C: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation	7.8 Proportion of population using an improved drinking water source 7.9 Proportion of population using an improved sanitation facility
Target 7.D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	7.10 Proportion of urban population living in slums[b]

Goal 8: Develop a global partnership for development	
Target 8.A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system Includes a commitment to good governance, development and poverty reduction – both nationally and internationally Target 8.B: Address the special needs of the least developed countries Includes: tariff and quota free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction Target 8.C: Address the special needs of landlocked developing countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly) Target 8.D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	*Some of the indicators listed below are monitored separately for the least developed countries (LDCs), Africa, landlocked developing countries and small island developing States.* Official development assistance (ODA) 8.1 Net ODA, total and to the least developed countries, as percentage of OECD/DAC donors' gross national income 8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation) 8.3 Proportion of bilateral official development assistance of OECD/DAC donors that is untied 8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes 8.5 ODA received in small island developing States as a proportion of their gross national incomes Market access 8.6 Proportion of total developed country imports (by value and excluding arms) from developing countries and least developed countries, admitted free of duty 8.7 Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries 8.8 Agricultural support estimate for OECD countries as a percentage of their gross domestic product 8.9 Proportion of ODA provided to help build trade capacity Debt sustainability 8.10 Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative) 8.11 Debt relief committed under HIPC and MDRI Initiatives 8.12 Debt service as a percentage of exports of goods and services
Target 8.E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	8.13 Proportion of population with access to affordable essential drugs on a sustainable basis
Target 8.F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications	8.14 Fixed-telephone subscriptions per 100 inhabitants 8.15 Mobile-cellular subscriptions per 100 inhabitants 8.16 Internet users per 100 inhabitants

The Millennium Development Goals and targets come from the Millennium Declaration, signed by 189 countries, including 147 heads of State and Government, in September 2000 (http://www.un.org/millennium/declaration/ares552e.htm) and from further agreement by member states at the 2005 World Summit (Resolution adopted by the General Assembly - A/RES/60/1, http://www.un.org/Docs/journal/asp/ws.asp?m=A/RES/60/1). The goals and targets are interrelated and should be seen as a whole. They represent a partnership between the developed countries and the developing countries "to create an environment – at the national and global levels alike – which is conducive to development and the elimination of poverty".

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[a] For monitoring country poverty trends, indicators based on national poverty lines should be used, where available.
[b] The actual proportion of people living in slums is measured by a proxy, represented by the urban population living in households with at least one of the four characteristics: (a) lack of access to improved water supply; (b) lack of access to improved sanitation; (c) overcrowding (3 or more persons per room); and (d) dwellings made of non-durable material.

The United Nations System

UN Principal Organs

General Assembly

Subsidiary Bodies

Main and other sessional committees
Disarmament Commission
Human Rights Council
International Law Commission
Standing committees and ad hoc bodies

Programmes and Funds

UNCTAD United Nations Conference on Trade and Development
  - **ITC** International Trade Centre (UNCTAD/WTO)
UNDP United Nations Development Programme
  - **UNCDF** United Nations Capital Development Fund
  - **UNV** United Nations Volunteers
UNEP United Nations Environment Programme
UNFPA United Nations Population Fund
UN-HABITAT United Nations Human Settlements Programme
UNHCR Office of the United Nations High Commissioner for Refugees
UNICEF United Nations Children's Fund

UNODC United Nations Office on Drugs and Crime
UNRWA[1] United Nations Relief and Works Agency for Palestine Refugees in the Near East
UN-Women United Nations Entity for Gender Equality and the Empowerment of Women
WFP World Food Programme

Research and Training Institutes

UNICRI United Nations Interregional Crime and Justice Research Institute
UNIDIR[1] United Nations Institute for Disarmament Research

UNITAR United Nations Institute for Training and Research
UNRISD United Nations Research Institute for Social Development
UNSSC United Nations System Staff College
UNU United Nations University

Other Entities

UNAIDS Joint United Nations Programme on HIV/AIDS
UNISDR United Nations International Strategy for Disaster Reduction
UNOPS United Nations Office for Project Services

Security Council

Subsidiary Bodies

Counter-terrorism committees
International Criminal Tribunal for Rwanda (ICTR)
International Criminal Tribunal for the former Yugoslavia (ICTY)
Military Staff Committee
Peacekeeping operations and political missions
Sanctions committees (ad hoc)
Standing committees and ad hoc bodies

Advisory Subsidiary Body

United Nations Peacebuilding Commission

Related Organizations

CTBTO PrepCom Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization
IAEA[2] International Atomic Energy Agency
OPCW Organisation for the Prohibition of Chemical Weapons
WTO[3] World Trade Organization

Economic and Social Council

Functional Commissions

Crime Prevention and Criminal Justice
Narcotic Drugs
Population and Development
Science and Technology for Development
Social Development
Statistics
Status of Women
Sustainable Development
United Nations Forum on Forests

Regional Commissions

ECA Economic Commission for Africa
ECE Economic Commission for Europe
ECLAC Economic Commission for Latin America and the Caribbean
ESCAP Economic and Social Commission for Asia and the Pacific
ESCWA Economic and Social Commission for Western Asia

Other Bodies

Committee for Development Policy
Committee of Experts on Public Administration
Committee on Non-Governmental Organizations
Permanent Forum on Indigenous Issues
United Nations Group of Experts on Geographical Names
Other sessional and standing committees and expert, ad hoc and related bodies

Specialized Agencies[4]

ILO International Labour Organization
FAO Food and Agriculture Organization of the United Nations
UNESCO United Nations Educational, Scientific and Cultural Organization
WHO World Health Organization
World Bank Group
  - **IBRD** International Bank for Reconstruction and Development
  - **IDA** International Development Association
  - **IFC** International Finance Corporation
  - **MIGA** Multilateral Investment Guarantee Agency
  - **ICSID** International Centre for Settlement of Investment Disputes
IMF International Monetary Fund
ICAO International Civil Aviation Organization
IMO International Maritime Organization
ITU International Telecommunication Union
UPU Universal Postal Union
WMO World Meteorological Organization
WIPO World Intellectual Property Organization
IFAD International Fund for Agricultural Development
UNIDO United Nations Industrial Development Organization
UNWTO World Tourism Organization

Secretariat

Departments and Offices

EOSG Executive Office of the Secretary-General
DESA Department of Economic and Social Affairs
DFS Department of Field Support
DGACM Department for General Assembly and Conference Management
DM Department of Management
DPA Department of Political Affairs
DPI Department of Public Information
DPKO Department of Peacekeeping Operations
DSS Department of Safety and Security
OCHA Office for the Coordination of Humanitarian Affairs
OHCHR Office of the United Nations High Commissioner for Human Rights
OIOS Office of Internal Oversight Services
OLA Office of Legal Affairs
OSAA Office of the Special Adviser on Africa

OSRSG/CAAC Office of the Special Representative of the Secretary-General for Children and Armed Conflict
UNODA Office for Disarmament Affairs
UNOG United Nations Office at Geneva
UN-OHRLLS Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
UNON United Nations Office at Nairobi
UNOV United Nations Office at Vienna

International Court of Justice

Trusteeship Council[5]

NOTES:

[1] UNRWA and UNIDIR report only to the General Assembly.

[2] IAEA reports to the Security Council and the General Assembly.

[3] WTO has no reporting obligation to the General Assembly (GA) but contributes on an ad-hoc basis to GA and ECOSOC work inter alia on finance and developmental issues.

[4] Specialized agencies are autonomous organizations working with the UN and each other through the coordinating machinery of ECOSOC at the intergovernmental level, and through the Chief Executives Board for Coordination (CEB) at the inter-secretarial level. This section is listed in order of establishment of these organizations as specialized agencies of the United Nations.

[5] The Trusteeship Council suspended operation on 1 November 1994 with the independence of Palau, the last remaining United Nations Trust Territory, on 1 October 1994.

This is not an official document of the United Nations, nor is it intended to be all-inclusive.

United Nations   Nations Unies

Malawi

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PRO/300/RC   Lilongwe, 16 February 2012

Dear Mr.Secretary General,

On behalf of the United Nations Country Team Malawi, I am pleased to submit to you the Resident Coordinator's Annual Report for 2011.

Politics

The political environment in 2011 was characterized by progressively constrained space for public participation in policy dialogue and public discourse. The promulgation of laws that infringe on Human Rights, such as the Injunctions Bill (establishing regulatory measures for citizens seeking to obtain court injunctions against the government) and Section 46 of the Penal Code (which empowers the Executive to ban publications deemed unsuitable for public good) have met with a considerable public outcry. The Government's use of state media; economic pressures on independent media houses; as well as the use of sedition charges to suppress opposing views; and the curtailing demonstrations are further indications of the pressures on Human Rights in Malawi.

In the second half of 2011, Malawi's political agenda was dominated by the 20 July protests, against the backdrop of declining political and socio-economic conditions in the country. Subsequently, at the request of the Government of Malawi and Civil Society, the UN facilitated a dialogue process with a view to addressing priority concerns raised by citizens during the July protests. The appointment of Under Secretary General Zewde as the UN Facilitator underscored the importance of Malawi placed by the UN. Through the UN-facilitated dialogue, the impasse between the Government and Malawi's academia which resulted in the closure of Chancellor College for eight months was resolved. The dialogue also provided a platform for the Government and Civil Society to re-engage on critical political and socio-economic concerns. In the latter part of 2011, attacks on Human Rights activists contributed to intensified criticism of the government by Civil Society and Development Partners. The UNCT maximized opportunities presented by its neutral position to strongly advocate for the protection of Human Rights defenders.

Economy

Malawi's economy is predominantly agricultural, with about 80 percent of the population living in rural areas. Tobacco earning, key to rural income and economic growth, have declined by 30-40 percent in 2011 due to a global price collapse. A number of development partners suspended direct budget support, an important source of development financing and foreign exchange, as the IMF Extended Credit Facility went off-track. Global fuel and commodity price rises exacerbated the economic and foreign currency shocks this created. The persistent shortages of forex, fuel, essential drugs, water and power cuts have hit a population that had already lost income and economic opportunities. As Heath centres and hospitals struggled for even essential drugs and supplies, the fuel shortages drove up transportation costs, resulting in high costs of doing business and steep rises in food prices. Shortage of raw materials and other essential inputs affects production and resulted in higher unemployment rate especially during the youth. According to official sources, overall inflation reached 8.9 percent in November.

Mr Ban Ki-moon
Secretary General of the United Nations
New York

Summary on Progress towards UNDAF Outcomes

While human resources and time were heavily invested in the formulation of the new UNDAF 2012 – 2016, efforts have been made to attain development goals as set out in the UNDAF 2008 – 2011. Positive achievements have been recorded in all five UNDAF outcomes.

UNDAF Outcome 1 Food and Nutrition Security

Breaking the country's dependence upon rain fed agriculture through the scale up of irrigation schemes and the promotion of crop diversification was a priority that the UN continued to focus on in 2011 through initiatives to enhance agricultural productivity, especially at household level, and to stimulate production for commercial purposes by linking producers with processors and exporters. 62 frontline extension workers were trained in Food and Nutrition. 4 nutrition education training sessions for 24 staff [6 males and 18 females] and selected 90 farmers mostly women were conducted. The targeted 9,844 farmers and staff were trained in production of different crops & livestock and fish rearing. 12 microfinance institutions increased their client outreach by 34 percent, from 888,684 (2009) to 1,192,733 (2011). The outreach to female clients increased from 46 to 51 percent during the same period, from 480,784 to 611,409. At least 80% of 1,500 out of school adolescent boys and girls who were provided with livelihood skills training are effectively utilizing the skills. 18 trainers received trainings on 'Start and Improve Your Business' modules and subsequently provided training to 120 young entrepreneurs and potential entrepreneurs. In the area of Climate Change, the UN supported the government in setting up a national response framework to manage climate change and started pilot Climate Change adaptation activities in 7 Districts. A total of 3,319 efficient fuel wood stoves were produced and are utilized by 2,883 households. Responding to unsustainable environment and natural resources management which is costing Malawi 5.3% of its GDP, or USD 191 million per year, the UN attempts to influence policy and decision-makers on the importance of sustainable through development of knowledge products like the "Economic Valuation of Sustainable Natural Resource Use in Malawi" and the "Malawi State of the Environment and Outlook Report".

UNDAF Outcome 2: Social Protection & Disaster Risk Reduction

The Social Cash Transfer (SCT) Program in 2011 reached 26,197 households. Furthermore, as a result of the UN's advocacy, the Government of Malawi raised the counterpart funding to the program from K50 Million to K70 Million in 2011/12 budget. An additional USD20 million was leveraged from development partners to scale up the SCT program. A draft Disaster Risk Management (DRM) Policy was finalised. DRM issues have been integrated in the primary school curriculum. In addition, district preparedness and response capabilities have been significantly improved though new contingency plans, updated baseline data, improved communication means and pre-positioned relief supplies.

UNDAF Outcome 3: Social Development

The UN contributed to the attainment of improved health indicators in 2011. 75 percent of young people accessed and utilized Youth Friendly Health Services; 85percent of health facilities provided three modern family planning methods and 72percent of all deliveries were done by skilled attendants; Four thousand (100 percent) hard to reach village clinics practiced community case management of childhood illness; and 94 percent of children under five years were fully immunized. The UN has contributed significantly to the improvement of doctor to population ratios to 1:30,000 (from 1:60,000 5 years ago). The UNV doctors in referral hospitals have increased the efficiency of hospital wards resulting in an additional 4,000 Malawians having access to life saving treatments. In nutrition, 96 percent of children were reached with Vitamin A and deworming coverage up from 86 percent; household use of iodized salt increased from 86 percent to 93.4 percent; and 632 metric tonnes of Ready-to-Use Therapeutic Food were purchased to treat 52,730 children suffering from severe acute malnutrition in the country. In water supply and sanitation, the UN's contribution resulted in 175,000 people being served by 700 new/rehabilitated community water points and 52,000 households being reached with improved sanitation. In Education, over 300,000 learners

directly benefited from a range of Child Friendly School initiatives which included provision of 44 new classrooms, 35,000 pupils' desks; teacher training of 158 female teachers and capacity development of 101 school management structures. Through the Joint UN Programme on Adolescent Girls, 210 adolescent girls aged 10 – 19 years were provided with scholarships. In addition, over 3,000 children withdrawn and prevented from child labour were re-integrated into basic education.

UNDAF Outcome 4: HIV/AIDS

Studies on Human Rights and HIV/AIDS and Legal Assessment for HIV and AIDS Environment were conducted to produce evidence for advocating for removal of punitive laws, policies, practices, stigma and discrimination that block effective responses to HIV and AIDS. In 2011, PMTCT Services expanded to 650+ sites; 10,000 students were reached with Life skills programming; 1,000,000+ persons were tested for HIV infection and 1,500,000 condoms were distributed. In treatment, care and support, 300+ ART sites were functional; 300,000 persons are alive and on ART. On impact mitigation, 1,500 affected households benefited from livelihood and food security support

UNDAF Outcome 5: Good Governance

Awareness on the right to development was raised in over 100 communities, reaching approximately 1 million people and resulted in Communities being empowered to hold duty bearers accountable and to initiate local development projects that respond to their immediate needs. As results, fish pond, schools and clinics were built which enable people to have additional income, get access to medical services and education. Baseline surveys and capacity needs assessments were conducted in the Democratic Governance Sector. The Malawi Socio-Economic Database and the Aid Management Platform were upgraded and launched on-line in 2011, used by 58 Government departments and 26 resident and non-resident development partners. A total of 150 senior and middle level managers, i.e. Principal Secretaries and Directors, participated in a 6 week leadership and management training courses. On Gender, 6,277 people accessed Gender-Based-Violence services – of these 70 percent were women. Gender Budgeting Guidelines were revised and used as resource tool both at national and district level budgeting. Twenty women parliamentarians were trained in Parliamentary Procedures. A gender machinery white paper developed, with the UN support, revealed a number of concerns. These include fragmentation of the gender machinery; weak coordination mechanisms and unfocussed leadership; limited understanding of gender and its dimensions amongst policymakers; lack of clarity on mandates, roles and responsibilities of stakeholders; and lack of institutional and individual capacity for joint programming. The UN will support the Government to implement the White Paper recommendations through engagement in the Gender and Youth Sector Working Group.

Summary of Progress towards UN Reform and the UNDG Strategic Priorities

In 2011 the UNCT continued furthering its DAO efforts through the implementation of the Malawi Transformation Plan of which the key deliverables are aligned with the UNDG Strategic Priorities.

High quality UNDAF 2012-2016

On the UN Day 24 October 2011 the UN together with the Government of Malawi launched the UNDAF 2012-2016. The UNDAF formulation benefited greatly from the UN playing an active role in the consultation on the Malawi Growth and Development Strategy, through Government-led Sector Working Groups. The deliberations during the UNDAF consultative process have brought forward a number of salient issues that are worth highlighting;

- *National Ownership*: the participatory nature of the consultation process has established clear coherence with national development frameworks, plans and strategies.
- *UN Focus*: the UNDAF proposes a broad menu of development dialogue areas that reflect the UN's analysis of national plans and strategies and maximizes the UN's comparative advantage,

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positioning and capacity to deliver.

- *Aid Effectiveness*: the UN is seeking further engagement in the Malawi agenda on aid effectiveness and efficiency and strengthening existing governance structures for the implementation of the UNDAF through the division of labour which allows for mutual representation, shared leadership and accountability among UN agencies.

Framing Gender Policy and Programs as the Key to MDG Achievement

Gender analysis and an MDG gap analysis performed by the UNCT suggested that strengthening health, education and job opportunities for girls and women would be essential to accelerate MDGs achievement. The UNCT requested a first-ever regional mission of gender experts to assist with the development of a breakthrough strategy on the acceleration of the three Goals that are lagging behind (MDG 2, 3 and 5). At the core of the strategy is a cross-sector approach focusing on girls, with integrated service delivery at the district level, supported by line ministries and overseen by the Ministry of Gender. This approach represents a shift in focus from project work to policy and program engagement with other ministries and district authorities. The development of a joint UN program for integrated service delivery for girls recommended by the inter-agency mission will be built on the experience from the current Joint UN Programme on Adolescent Girls. The case shows how the UN can combine and leverage regional expertise with strong national credibility, relationships and programs to facilitate high-level engagement in policy and program development and to develop and implement innovative solutions to cross-sector issues. It also shows the importance of framing policy goals and programmatic strategies in terms that resonate with the top priorities of key national decision makers.

Coherent and Coordinated UN Engagement in Capacity Development in Sector Wide Approach

One of the development challenges facing Malawi is limited capacity at institutional and personal levels. While capacity development was identified as a key priority for both the Government and the UN as the country moves toward SWAPs, it was noted that a coherent and coordinated UN engagement in capacity development is currently missing. A nascent UN capacity development strategy was conceptualized with close engagement of inter-agency capacity development experts at country, regional and HQs levels. However, breaking silo mentality and addressing fragmented approaches to capacity development proved to be more challenging than initially expected for the UN in Malawi. A phased approach was introduced and as a first step, capacity diagnostic model was developed taking into account different existing tools and local context. In view of the strategic priority that Government has accorded to food security; agriculture sector was selected as the first trial of the capacity diagnostic tool. The findings of the diagnostic study in agriculture not only unveiled capacity development areas where the Government should focus their efforts but also serve as foundation for the formulation of a second generation UN capacity development strategy that presents a coherent and coordinated UN engagement in capacity development in SWAPs.

Humanitarian Reform

The establishment of an Emergency Humanitarian Response Fund aims at providing humanitarian actors with a new and pragmatic mechanism that allows rapid and effective early response. Joint preliminary assessments will be commissioned and form the basis for an initial humanitarian response, while waiting for formal release of data or more thorough assessment by the Government. The Terms of Reference for the Emergency Humanitarian Response Fund were endorsed by the Humanitarian Country Team and the Department of Disaster Management Affairs. Efforts to mobilise resources for the Fund are ongoing.

ICT

Following recommendations made by the High Level Committee on Management Mission to Malawi, and as part of the Transformation Plan's efforts to improve operational efficiency, ICT professionals from four ExCom Agencies undertook a rationalization mission to Mozambique. The mission's

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objective was to review the setup and composition of integrated ICT services relating to the efficiency, effectiveness and cost savings. Using the findings of the mission, a Business Case for Malawi was developed proposing the necessary steps for the establishment of an integrated and shared ICT platform across the UN system. At the request of the UNCT, an Inter-Agency DaO ICT Assessment Mission to Malawi was fielded in July 2011 to help the UNCT develop a strategy for a common ICT infrastructure. Unfortunately, the recommendations far exceed the budget available at the country level. A request was made to UNDOCO to include Malawi as a pilot in the Virtual House Data Communications Study in 2012. As UN resident agencies in Malawi are currently housed in different buildings, the establishment of a Virtual UN House would be critical in terms of efficiency and business continuity.

HACT

Steady progress was made in HACT implementation. A Macro Assessment was undertaken in 2011 and its findings and recommendations were used to develop a Capacity Development Strategy. The strategy revolved around training of selected and relevant staff of priority IPs on selected areas including (i) Financial Management; (ii) Procurement Management; and (iii) Results Based Management. The training on FACE/HACT was incorporated into the above courses. All courses were delivered by local institutions with the Financial Management and Procurement Training being done by the Malawi Polytechnic and the RBM training by the Malawi Institute of Management. A total of 85 participants from 26 IPs participated in the training. The first joint HACT audits of 30 IPs were conducted, of which 11 (37 percent) were rated as low risk, 8 (27 percent) medium, and 11 (37 percent) significant risk. No IP was rated as High Risk. These ratings will be used as benchmark for future reporting on the impact of the capacity development initiatives on the financial performance of the IPs.

Key aspects of the 2011 Work Plan

With the implementation of the new UNDAF 2012-2016, 2012 will be a critical year for the UN Country Team to sharpen the focus on the progress toward achieving MDGs that are lagging behind while continuing the Delivering as One agenda. The UN Transformation Plan for 2012 – 2013, currently being developed, will provide opportunities for prioritized programme efficiency measures, harmonisation of business practices, enhanced aid effectiveness and partnership building. The UN will focus its efforts in joint programming/joint programs; addressing internal and external advocacy needs through development and implementation of a joint communications strategy and plan; and leveraging humanitarian affairs reform.

A Capacity Assessment of Agencies in relation to UNDAF implementation challenges is one of the top priorities for UN Malawi as it is a prerequisite to ensuring a coherent, efficient and effective UN response to the government's development agenda. Results of the Capacity Assessment will enable the UNCT to develop a clear undertaking of capacities available to support the UNDAF implementation.

Yours sincerely

Richard Dictus
UN Resident Coordinator

cc.   Ms. Deborah Landey, Director, UNDOCO
       Mr.TegegneworkGettu, Chair, UNDG-Africa
       UNCT Malawi

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Taxonomy of Instability

In 2011 Malawi developed signs of political, social and economic instability, to the extent that if they become more severe in 2012, this may lead to critical breakdowns in society. In an effort to bring some order to the issues, and introduce a rights based approach to the analysis of the current situation, it is suggested we break them down into three sets; (i) Political transitions and pressures; (ii) Infringements of civil liberties and political rights; and (iii) pressure on socio-economic and development rights. The purpose of this paper is to identify possible ways in which UN agencies in Malawi can play a role, through their existing programme activities or by introducing new initiatives, to mitigate the impact the current pressures have on Malawi's immediate stability and future prospects. This analysis is therefore driven by the firm understanding that Malawi's current position in the Human Development Index is a clear indication of the underlying socio economic and development fragility in the country, and that a protracted period of instability and uncertainty, coupled with economic slow down and a deepening of inertia in the face of crisis, will beyond doubt lead to a regression in MDG achievement.

1. Political Domain

Malawi's evolving democratic culture is characterised by a paucity of consultation, participation, and responsiveness to the people's voices in between ballot boxes, leadership battles and personality factions. An overall inability to build and maintain constructive partnerships across political divides, have precluded democratic leadership from adopting new and forward-looking practices. National politics continue to be dominated by the "winner-takes-all" mentality inherent to the first-past-the-post (FPTP) electoral system. Stalemates in Parliament between the ruling party and the opposition have been compounded by a lack of in-party (party conventions) and bi-partisan dialogue outside of the formal parliamentary setting.

The DPP, UDF and MCP are facing leadership transitions that are challenging the institutional capacities of their respective party networks. The DPP transition, whereby the President is most likely to be succeeded by his younger brother, is most dominant in the political spectrum leading up to the 2014 elections, taking into account that this is President Mutharika's final constitutional term. This election is to further challenge the capacities of political parties due to its tri-partite nature; Presidential, Parliamentary and Local Government. The political space around elections is further constrained to a clear and visible incumbent bias, where the sitting DPP administration blatantly leverages state resources and state media for party political purposes. The fact that the so called "incumbent bias" was broken recently in neighboring Zambia, has added new flavors to this potent mix.

The Malawi Election Commission (MEC) has been traditionally maintained at a weak level of institutional capacity to avoid a situation where it can arbitrate in election processes. The suspension of the Commissioners in 2010 and subsequent reinstatements in 2011 without any formal or even informal notifications, manifestly to enable a forensic audit into the 2009 election, has undermined MEC's credibility and standing with political parties and the population. The Forensic Audit was never shared and the little known of its findings suggests that neither the Commissioners nor the MEC staff have a case to answer, while the court case for 10 MEC Finance Staff following a 2008 audit is still ongoing. A lingering question remains on the independence of MEC as it was suspended without any visible or observable due process despite its mandate through the constitution and its appointment through the Parliamentary Appointments Committee. Furthermore, MEC's management capacities, judged to be weak in the 2009 election, prompting an executive takeover by the Commissioners a few months prior to the elections, has been

further undermined by a very high level of senior management vacancies. The confidence and motivation of remaining MEC civil servants has deteriorated by the refusal of the Commissioners to relinquish their executive roles post 2009. The strong executive focus of the Commissioners can be seen as a contravention with the electoral laws which provide for an oversight role only. In the wake of the 2009 election and the different audit reports commissioned through the Elections Trust Fund, UNDP argued strongly that a "whole of Government approach" would be deployed to bring MEC back on its feet. This would involve the ODPP (procurement), the auditor and account generals, the DHRM and the change management capacities in OPC coupled with the financial and budget management capacities of the Treasury Division of the Ministry of Finance and Development Planning. This has never materialized and a recent UN EAD mission reported that MEC currently would not be in a position to make a credible effort at managing the 2014 election process. MEC's current Strategic Plan has never been consulted with stakeholders and the institution lacks capacity, support and credibility as it moves towards a complex election.

An added concern is the fact that the NICE progarmme supported by the EU, remains in limbo since the beginning of 2011 when it was established as a foundation. Over time NICE had developed a nationwide network and capacities to facilitate civic education and had acquired a very positive reputation both with the population and political stakeholders. Following the 2009 election, a consensus emerged amongst all stakeholders that NICE should become the main venue for voter education and information in future elections. The 2014 elections would in this respect pose a specific challenge as the electorate at large would need in-depth information about the new district assemblies, given different amendments in legalization adopted by the current Administration. At this juncture, the overall practice of Civic Education seems to proceed without any institutional coordination capacity, through a lose network of NGOs/CSOs supported by Development Partners through different mechanisms. The Ministry of Local Government and the Ministry of Information, which were assumed to start of formal information and civic education campaign on the new district assemblies have shown no signs of action. There is no clear unity of approach, messaging, time lines etc as the clock is ticking on the elections time table towards 2014.

Civil society organizations (CSOs) in Malawi have continued to play an invaluable role in the political affairs of the country. For instance, CSOs played a pivotal role during the Section 65 and the budget impasse, which could have stalled national development. The opposition, using its majority, would not pass the budget until the government complied with Section 65. Both the Opposition and the Government agreed to use the clergy, mostly members of the Public Affairs Committee, to mediate on the budget impasse issue. As a result of the mediation coupled with demonstrations that were staged by the CSOs on the budget impasse, the opposition was compelled to pass the national budget. Recent events, especially the demonstrations of 20 – 21 July, 2011, and the concomitant dialogue have revealed that CSOs have competing interests and different agendas. Additionally, following the 20 – 21 July demonstrations, the role of CSOs has evolved from mediating disagreements in national policy debates between political actors to negotiating directly with political actors on national policy issues. It has also demonstrated that there are substantive capacity gaps within the CSOs that need to be addressed if the CSOs in Malawi are to play an instrumental role in the promotion of dialogue and peace.

2. Civil Liberties and Political Rights.

Human Rights and Civil Liberties are enshrined in Malawi's constitution. Malawi has an impressive array of formal and informal accountability institutions such as the MHRC, ACB, Ombudsperson, MHRCC, the Law

Commission, the Law Society etc. However, since 2009, there has been a growing perception of infringement in a number of areas;

Freedom of expression and association; Starting from the use of sedition legislation to suppress dissent in 2009, there has been the use of state resources to influence behavior of national media (i.e. withdrawal of GoM advertisements from the Nation newspaper) in 2010 to the curtaining of public demonstration in 2011 by insisting that organizers of demonstrations deposit funds with the authorities to cover costs if properties and goods are damaged. Many interlocutors have concluded that a deliberate attempt is being made by authorities to curtail public political dialogue space. Media houses themselves have reported that they have started to "self censor", particularly as journalists have now been detained on a number of occasions, and that recent events, a repeat from the past, of slapping and abusing journalists at a presidential press function have further influenced their thinking. Post 20/21 July, the concept of public and peaceful demonstrations has come under severe scrutiny, as the state authorities indicate an inability to protect the safety of the demonstrators creating a further obstacle. In a clear echo of Malawi's totalitarian past, many people have reported a personal fear for speaking out, using telephones or conversations in public spaces for fear of direct and personal reprisals from the state security machinery - whether this fear is justified is difficult to gauge, but it is none the less real.

Respect for Minority Rights; since 2008 the Government of Malawi has been developing HIV legislation that carries elements of forced testing related to state employment and even possible criminalization of HIV under specific circumstances. While the dialogue between Government and Stakeholders continues, the formal position of sexual minorities has become more poignant with the abusive arrest (and subsequent pardon) to two gay men and the adoption of legislation that places stigma and legal punishment on lesbian behavior, to complement pre-independence buggery laws. This new legislation has meanwhile been referred to the law Commission for further review.

Academic Freedom; The events in 2011 in Chancellor College have provided another echo to Malawi's totalitarian past, when allegations were made that the state security machinery had directly placed spies in lecture rooms, leading to the dismissal of lecturers on the basis of the content of their academic work. The college was paralyzed for more than 7 months when a standoff between the authorities and four lecturers, who had been dismissed could not be mediated and resolved. While academic freedom is never as absolute as other civil liberties, the past in Malawi has seen that popular dissent has often been managed on or through university campuses, which both students and staff strongly engaged at the cutting edge of the democratic practices.

Contested legislation; In the course of 2011, there was a public outcry against the introduction of the "injunctions Bill", the "media Bill" as well as the amendments made to the policy act allowing for police search without a searching warrant. While both had gone through the formal due process, at the time of their tabling in Parliament the context had changed to the extent that they were perceived as enabling the Government to establish greater control and acquire authorities that would allow them to act with impunity towards media, companies and individual citizens. While formally these bills have now been referred back to the Law Commission for review, including public hearings, it is not clear if they can or will meanwhile be applied. Despite assurances from lawyers within the Ministry of Justice that it would not be possible to apply them, while they are under review, they have not been formally repealed or suspended.

3. Socio-economic rights.

While the national focus has been on the above mentioned political (rights) issues, the economy has taken a turn for the worse, compounding already weak management of the economy characterized by a consistent failure to adapt to changing external conditions (global food prices, fuel and fertilizer prices, global financial crisis and scarcities in the capital markets etc) and a dogmatic approach to macro-economic stability and the exchange rate regime, juxtaposed to a lacks approach to fiscal discipline. Long term imbalances on the current account and structural deficits on the national budget became acute when for instance the tobacco industry lost about US100-150 mln. in revenue from 2010 to 2011, fuel and fertilizers prices increased and Direct Budget Support became constrained due to disagreement on underlying principles. Both the Health and Education SWAps suffered from breakdowns that slowed the pace of progress, prompted by performance and accountability problems. Development Partners have stepped in to seek to stabilize the FISP by procuring seeds and fertilizer, as well as supplying essential drugs through UNICEF and USAID and increasing the scope of UNICEF's cash transfer programme. Nevertheless, the situation has prompted a rights crisis on a number of fronts;

Food Security and Humanitarian response; The 2011 MVAC exercise indicated in it first round that,. amidst bumper harvests, still about 500.000 people were in danger of not being able to meet their food entitlement due to localized and sporadic droughts. This same trend has been visible in the 2011 MVAC, where due to same pattern, some 138 000 people were earmarked to have some form of food insecurity. This figure has recently been increased to 240.0000 due to sharp rise in maize prices in recent weeks, which will make it harder for the poor and vulnerable segments of the population to acces this staple crop as the country moves into the leans season. Further rises are expected and Government declared a ban on maize exports. The predictions are not clear, taking into account that it is not easy to determined whether the price rises are due to localized scarcity under pressure of transport constraints and increased costs, or due to an overall national scarcity. The Ministry of Finance and Economic Planning is meanwhile still to respond structurally to the UN's request that a more in-depth look is taken into those districts where people have suffered from three consecutive years of drought, mutating temporary food insecurity into a structural livelihood insecurity that cannot be resolves through simple humanitarian action. Meanwhile, the impact of the emergency measures taken by development partners to stabilize FISP are yet to be seen. Repeated reports highlight continued system loses and lacking availability of subsidized fertilizer for distribution, but no hard data on the overall severity and frequency of these occurrences are reported. The weather reports for late 2011 suggest that rains have been slow and less than expected - anecdotal reports suggest that in the South people have already planted twice in most areas but this is part of a normal pattern. Until the first FAO/MoAgric crop assessments have been done in February, it will be hard to predict how food security will be affected in the 2012/13 hunger season or if in March 2012, there will be enough green maize, sorghum and sweet potato to meet food requirement needs.

Forex, fuel, fertilizer and essential imports; In late November the RBM was sitting on about USD 400Mln of unmet import needs - some of them for commodities needed to keep the economy going such as fuel and (commercial) fertilizer. The real foreign currency reserves are not clear, but the US$265 Mln formally reported seems to already be committed to letters of credit foreign debt servicing or Government recurrent hard currency expenditure. Government has on repeated occasion reported that they have managed to secure new loans for fuel procurement, yet the country at this moment only manages to source about half its monthly needs. Equally important is that the acute foreign currency shortage has curtailed foreign investment, with a number of project on hold and has anecdotally prompted capital flight as the commercial sector started looking for safe havens (no formal information is available to benchmark this in exact

figures). All of these are indicators that 2012 will see a further economic slow down. The human consequence is immediately clear- the tobacco industry has by an informal account, laid off some 90,000 workers in 2011 alone. The transportation industry is slowing down, retail is suffering and many construction projects are on hold - employment and income impacts for there have not been quantified. Crop yields in the commercial sector will be going down due to low availability of commercial fertilizer and for a country where 80 percent of export performance is based on agriculture, this will further compound employment and income issues at the very base of the economy.

Medical Services, medicines and ARVs; All hospital and medical centers have been struggling with first diminishing and later lacking supplies of medical commodities from the central medical stores. The virtual collapse of this institution was foreseen, but the operational consequence took some time to sink in. Currently UNICEF and USAID, in partnership with various donors, are putting one year stock of essential medical supplies in place. Further concern have been raised that under pressure for recent changes and missed opportunities with the Global Fund, Malawi may be facing shortages of ARVs or at least will not have the resources to ensure that the recently promulgated WHO standards can be fully met. Finally, due to electricity and fuel (for generators) shortages, certain medical services are not working at full capacity; surgical wards only operate part time and ambulances can often not move.

4. Implications for the UNCT in Malawi.

The UNCT is engaged across the broad on the above issues; from WFP's role in Humanitarian food relief, through UNICEF's role in ARVs and medical supplies, through UNOHCHR's role in Human Rights and UNDP/UNEAD's role in national elections. The above bleak analysis raises a number of questions concerning the roles that the UNCT plays and whether we have done enough to date.

4.1 Political Domain.

The referral of Malawi to the UN Security Council by the ICC related to the presence of the Sudanese President Bashir at the recent COMESA meeting, will not doubt constrain the UNDPA's and Madame Sewde's role towards the national dialogue process. To date the engagement of the UNRC and the financial support form UNDP, though BCPR, has been essential to a successful effort. 4 out of 20 agenda points have been successfully resolved through the dialogue process. The support requirements for the next phase of this facilitation have yet to be determined in any detail.

UNDP and EAD have agreed that a soft approach to the MEC is required in order to give the Government the time to show its commitment to getting this institution back on track. With a light touch in terms of change management support and a low financial input, the Government would be requested to start tackling the outstanding agenda in a benchmarked fashion; fill vacancies, release the forensic audit, develop an audit comment management plan, review and update the strategic plan, implement the 2008 restructuring plan, strengthen financial management and budget control systems, complete implementation of IFMIS, roll out the assets management systems (based on the completed asset register) etc. Towards the end of the year, with a newly appointed Commission, the Government and the International Community would then be able to map the way forward towards the 2014 elections with a clear baseline of available institutional capacities. Meanwhile, UNDP (and other UN agencies if interested) will further the consultations with the Ministry of Children Women and Community Development on the specific support

required to empower women towards the 2014 election to stand for office as well as exercise their rights as voters and their role as key advocates for peaceful elections.

Until the final word has been spoken on NICE, it is too early to speculate on alternate options. Within the UNDP programme the role of the MHRC and the Democratic Consolidation Programme, currently confined to Human Right Education, could possibly be expanded. The alternative to NICE has traditionally been an international NGO coordinating and technically supporting the MESN affiliated NGOs - however this has in the past not always had good results and a national structure which is able to undertake this would be much more preferred by all stakeholders. We could explore options to see if MESN could be strengthened to be able to undertake this role, although it would beyond doubt stretch this organizations capacities to the fullest and would in any case only resolve issues on the narrow field of voter education and information.

Through the ongoing UNDP cooperation with parliament and the Center for Multi-Party Democracy (CMD), different ways and means can be explored to foster more political dialogue. The CMD can also serve as an institutional anchor and support mechanisms for the Multiparty Committees that at the district level have played such important roles in 2004 and 2009 to ensure peaceful campaigns and election days. The ways and means for this have to be explored, but a possible reactivation of NAFOPESCO, previously supported by both UNDP and GIZ, should not be excluded. This grouping of eminent persons has played a mediation role within Parliament and various political processes over the last 4 years. In all cases this work will require, in addition to financial support, high level technical inputs in mediation facilitation and conflict analysis.

Last, but not least, the role of civil society in national mediation, facilitation and peace processes will require further support. This will mostly build on PAC's traditional strong position in this areas, but would through them and with them extend to other parts of civil society, including CONGOMA. However, the focus will remain on providing technical and limited financial support to enable the role of these organizations and assist them in identifying the correct approaches and synergies for success.

4.2 Civil Liberties and Political Rights.

UNDP has opened up its working relationship with the MHRC and the Ombudsperson to start a new programming process for the period 2012-16. Both institutions have lost most of their support from development partners over the last year for a variety of reasons. The MHRC is currently partnering with UNAIDS (HIV Legislations), UNICEF (rights of the child) and the EU - however no coordinated approach to this institution has been developed to date. The role of the MHRC, but also the Ombudsperson, in raising HR violations and issues through the HR architecture in the country is crucial in the current scenario of growing concern around civil liberties and political rights. Both organizations straddle the divide between formal Government partners such as the Law Commission, the Ministry of Justice, the police, the prison system etc and the informal sector represented by the Law Society, the MHRCC and other civil society organizations. They, to some extent, play pivotal coordinating roles, which they currently have difficulties in exercising as recent budget cuts have reduced their operational scope and reach. While it is important that Government recognizes their role and makes resources available, every effort has to be made to re-establish their operation credibility; this includes their role of fostering an environment in which both state and non state actors continue to engage international human rights mechanisms, meet reporting requirements and follow-up on international agreements. UNDP, UNOHCHR, UNICEF and UNAIDS would need to undertake a joint analysis of this situation and see how they can cooperate to their joint advantage.

A second focus area for UN agencies can be around the contested legislation that have been referred back to the Law Commission as well as the new HIV AIDS legislation. While there will now be public hearings, UN agencies could prepare a joint position on these referring to international standards - currently UNDP and UNAIDS have been engaged in the HIV side, but there are also possible roles for UNOHCHR to play.

4.3 Socio Economic Rights.

UNDP has indicated that it will participate in the WB Public Financial and Economic Management Trust Fund, as an important signal that it will align with efforts to the international community to address the considerable constrains in this domain. Equally, the activities dealing with aid management, support to national planning and the national Monitoring and Evaluation practice, will be aligned into one UNDP/Ministry of Finance and Development Planning joint venture to strengthen Development Effectiveness and Accountability.

With the expected poverty impacts of the ongoing economic deterioration and expected diminishing returns on agricultural activities in 2012, the issue of social safety nets will become more acute. The UNICEF's cash transfer programme offers possibilities of replication at larger scale if other organizations can also render their global expertise on these programmes. WFP, ILO and UNDP have worked with these schemes at different junctures and in different countries with different international and national partnerships. With the UN's track record in DaO, there are beyond doubt unexplored opportunities for a rapid expansion if required. UNICEF meanwhile will remain the technical lead and the custodian of the policy relationship with the Ministry of Finance and Development Planning. Similar joint programme opportunities would exist in the up scaling of school meal programmes, cash for work and food for work activities etc.

The operationalization of the Humanitarian Country Team in 2010/11 and the new Humanitarian Standby Fund, are opportunities for UN agencies to collaborate with civil society to address immediate humanitarian concerns. At this stage the issues of monitoring and assessment, as started in 2011, have to be strengthened through WFP, FAO and UNICEF in order to be able to provide the international community, civil society and the Government with an alternate and accurate view on the evolving pressures on food prices, crop estimates, commodity availability and acute malnutrition. This will be further deepened by joint GoM (DODMA) and UN assessments when the indicators exceed acceptable levels. It is important that meanwhile, the agreements with the international community on the Humanitarian Fund are firmed up. In addition a joint review of different approaches for instance the food aid or cash transfer, in humanitarian response and the agreement on best practices and opening up of more channels would be a wise investment utilizing OXFAM, WFP and UNICEF expertise in this respect. It is too early to speculate on a possible international appeals, at least for 2012.

With UNICEF having played a key role in both the provision of ARVs and essential medicines, it is opportune to reflect on the long term role that the UN can play in terms of watch dog on not just the availability but also use and distribution of the now scare resources. Between UNICEF, WHO, UNFPA, UNAIDS and UNDP/UNV (60 UNV doctors and 5 ART advisers), a system can be set up that provides not only early warning if the system is malfunctioning or misaligning but also a much needed assurance to the people of Malawi that resources are being used to the best advantage. Partnerships with USAID/CDC and DFGID/VSO would be essential as they have similar capacities.

Appendix 4: Explanation for the choice of indicators for assessing the effectiveness of case study design and implementation

This appendix explains the choice of indicators in the evaluation framework set out in the Methodology chapter. The choice of indicators is based on good practice for programme and project design and implementation in general and more specifically for addressing EDPs, as reflected in a number of sources. (DFID, 2003; DFID, 2011; Bass and Renard, 2009; NORAD 1999; NORAD, 2005, NORAD 2009; UNDP-UNEP PEI 2009; UNDP, 2009; UNDG 2011; UNDP, UNDP EO 2010; 2011a; UNDP 2011b; UNEP 2006).

This choice of indicators also reflects that the research is assessing the effectiveness of a range of EDP programmes/projects from the higher policy level to projects, thus a balance between very detailed project indicators and indicators more suitable for assessing policy level programmes needed to be identified. A draft list of indicators was prepared, comments on this draft collected from UN officials experienced in addressing EDPs and then finalised. The criteria are in bold and the indicators are underlined.

Situational Analysis

1. Analysis of problems & underlying causes is carried out and consistent with actual EDP and sets out the rationale for the programme/project.

The rationale for this indicator is that unless the problem and its underlying causes are understood, it is unlikely the project will have the appropriate activities to address the actual problem. In the case of EDPs, both development and environment elements of the problem need to be clearly understood. Further, the situational analysis should identify the rationale or value added of the programme/project in terms of addressing the problem.

2. Analysis of higher-level policies, institutional, political-economy issues *et cetera* that may impact on achievement of the desired results.

UN (and other development agency) sponsored programmes or projects tend to focus on fixing part of a wider problem, rather than the whole problem and the range of factors that contribute towards it. This partly reflects resource and practical constraints. Thus, it is very important to identify higher-level issues that may make it harder to achieve the desired aim of a project or programme. For example: If a project aims to improve the sustainability of agriculture by increasing the application of conservation agriculture, it is important to understand the land tenure system in the country. It is also important to understand relevant higher-level political-economy issues, overall capacity levels within the relevant government institutions and whether corruption is a significant issue. A more immediate higher-level policy in this case would be the agriculture sector policy and/or strategic plan.

3. <u>Analysis of key institutional, policy, planning and implementation processes relevant to addressing the EDP.</u>

To address a national development issue it is necessary to have a very good understanding of the relevant country processes. In the case of EDPs it is necessary to understand development planning institutions, policies, planning and implementation processes as well as those on the environment side. Similarly, it is also necessary to understand those processes applying to key environment-development sectors, such as agriculture, water and forestry.

Strategy (includes implementation arrangements)

4. <u>A participatory approach to design of the strategy (and overall design).</u>

This also is standard general good development aid practice, reflecting the need to ensure that there will be the necessary ownership of the project and the solutions proposed. This approach is needed also to maximise the chances that the relevant factors relevant to the problem and appropriate solutions will be identified. In the case of EDPs the participatory approach needs to include both environment and development stakeholders.

5. <u>Strategy consistent with the problem and key national processes linked to the drivers of the problem.</u>

A strategy is a plan of action to achieve a desired result and if the strategy is not consistent with the problem, it unlikely to succeed. In the case of EDPs, the national and associated sector development planning processes that set policy and budgetary priorities are key, thus the strategy to address EDPs should include a focus on influencing them.

6. <u>Ministries of Planning/Finance lead or co-lead the process and key EDP relevant sector ministries (e.g. Agriculture) are an integral part of programme design, management and oversight structures.</u>

When aiming to influence government policy and budgetary priorities, the appropriate ministries need to lead. In the case of addressing EDPs, the key development ministries should lead with key sector ministries fully integrated into programme design, management and oversight, as it is they who need to be convinced that a higher policy and budgetary priority should be assigned to addressing EDPs. The ministries of environment do not need to be convinced that environment problems are important. It is policy, strategy and programme decisions by planning and finance ministries and key EDP relevant sector ministries like agriculture that result in environmental degradation and unsustainable natural resource use.

7. Programme/Project is integrated into existing relevant Government or regional processes & institutional mechanisms.

UN and donor agencies sometimes set up programmes or projects as virtually stand-alone initiatives. However, the likelihood of addressing EDPs is much higher if the programme or project is part of, or actively contributes to, existing processes such as those for the preparation of a national development plan.

Institutional mechanisms in the context of this research include government offices, ministries, agencies and their respective committees, including co-ordination committees. It also includes working groups such as the government-donor environment working-group and the different working groups set up to design a national or sector development plan.

8. Strategy is consistent with EDP good practice e.g. as contained in relevant UN EDP guidelines.

As indicated above, a strategy is a plan of action to achieve a desired result. Thus, an appropriate strategy to address an EDP should be consistent with the nature of the problem and with established good practice for addressing EDPs. For example, the strategy should include a focus on collecting economic evidence of the costs of unsustainable environment and natural resource (ENR) use. It should include deep engagement in the national development planning processes and include a focus influencing budgets. As indicated above, influencing ministries that have a key role in deciding on national development and environment related policies, such as the Planning ministry should be a key focus. Further, the strategy should seek to influence the key sectors that impact on environment – such as agriculture. It should also include a focus on how more sustainable ENR use can help reduce poverty.

9. Reflects higher-level issues that contribute to the causes of the problem and/or may make addressing the problem more difficult.

The reasons why it is important to identify and understand higher-level issues relevant to addressing EDPs is set out in 1 and 2 above. Consistent with this, the strategy for addressing EDPs should either indicate how it will address higher-level issues, change the project concept before detailed design commences or include specific steps to minimise the risks to achieving the desired results of the programme or project under consideration. For example, if the land tenure system in the country means that the medium to longer term benefits of conservation agriculture may not accrue to farmers, it may be necessary to restrict the ambitions of the project while designing a longer-term programme to address land tenure issues. Or the UN "may seek to influence other partners and non-partners to take other actions to solve the higher level effects" (p41, UNDP, 2009).

Outcome

10. <u>Outcome statement states actual or intended change the programme interventions are seeking to support.</u>

An outcome is the higher level result (actual or intended change) that the programme or project is seeking to help achieve. It is not a result or change that will be achieved solely by the programme or project in mind but it is a result of change that the programme or project will contribute towards. For example, an outcome might be "Improved food security for rural poor population." It should be a realistic statement so that UN and other development partners "….can have a reasonable degree of influence" when working for the same outcome (p57, UNDP, 2009). If the outcome is not identified appropriately, then it implies that the project design is not adequately targeting the problem it is designed to fix, which may imply that the designers do not adequately understand the problem.

Outputs and Activities

11. <u>Outputs included are short-term environment and development results to be produced by programme or project within the project timeframe & budget and are consistent with the outcome.</u>

An effective output is a result from the programme or project that is contributes to the outcome. For example, an increase in capacity from a training workshop or a new product or service - such as a report identifying the costs and benefits of different options to achieve food security amongst poor rural people. The quality of outputs and how they are used is critical to programme or project effectiveness, as is their consistency with the outcome.

12. <u>Activities describe actions needed to obtain the stated outputs and are consistent with the outputs that need to be produced.</u>

Outputs are produced by activities, with each output needing one or more activities. For example, design and conduct of a workshop. If activities are consistent with the output and are well-designed and have an adequate budget then they will be consistent with project or programme effectiveness.

Work plan

13. <u>Work plan provides enough time for delivery of all outputs & activities.</u>

It the programme or project does not have a realistic work plan then it will be difficult to undertake the activities necessary to produce the outputs and/or to use the outputs in a timely manner. If the work plan is substantially unrealistic, then the project or programme is likely to be ineffective, as least within the target timeframe. As UN programme and projects are usually in support of governments and depend on government partners, the work plan must also reflect a realistic estimate of government capacity and processes, not just those of the UN.

Budget

14. <u>Budget sufficient to pay for the activities and outputs.</u>

All activities and outputs require inputs. If the budget is insufficient to pay for the inputs needed carry out the necessary activities, then programme or project delivery will be ineffective. Additionally, cash disbursements need to occur consistent with the timetable necessary for the timely delivery of outputs to avoid delays.

15. <u>Budget is broken down by activities and/or output</u>

The budget needs to be broken down in the project or programme document at activity and/or output level. This demonstrates that the necessary costings have been carried out and is necessary for programme/project monitoring. In multi-year programmes/projects with a large number of activities, budgeting is normally carried out to output level in the PRODOC with detailed activity budgets prepared in the Annual Work Plan (AWP).

Management and Co-ordination Arrangements

16. <u>Arrangements specify clear responsibility for programme/project management, including co-ordination between different components and implementing agencies.</u>

All programmes and projects should have clear management lines. In the UN, where it is usually supporting governments in a partnership, management arrangements are usually more complicated than with standard private sector projects. However, complicated or not, clear management accountability needs to be established. If different entities such as different government ministries have management responsibility for different outputs or activities, this must also be clearly identified. The programme/project manager typically reports to a programme or project steering committee through the lead government civil servant for the project, who may be referred to as the project or programme director.

17. <u>Appropriate Government Ministries lead or co-lead the process.</u>

A key reason why EDPs have remained inadequately addressed is that those ministries that lead on setting government priorities and allocating budgets do not attach sufficient priority to reducing environmental unsustainability. Thus, these ministries – Planning and Finance – need to be convinced that achieving ENR sustainability should be a higher priority. If they lead or co-lead UN-Government programmes and projects designed to address EDPs then there is a greater chance that they will be convinced to assign a higher priority to addressing EDPs, including because as lead agency they will have a greater sense of ownership of the project. Further, as it is policy and budget allocations by key ENR sector ministries like agriculture that have the most concrete impact on the environment, it is very important that they are integral members of project management oversight committees.

18. Government steering and/technical committee chaired by lead ministry responsible for programme/project.

UN programmes and projects in developing countries almost always have programme steering committees chaired or co-chaired by one or two government ministries. This steering committee may be set up for the programme or project or may be an existing government committee, which is assigned the responsibility for overall management oversight. This committee should preferably be chaired by the lead government agency for managing the project.

19. Reflect capacity of Government and other partners

Management capacity in developing countries varies widely but often is inadequate in one or more aspects. For example, financial management systems may be inadequate technically and/or there may be insufficient commitment to financial transparency. Capacity for RBM is almost always lower in government than in UN and donor agencies, which inhibits efforts by the UN to achieve results as UN programmes/projects are often implemented though government institutions. This implies, for example, that additional management support from the UN is likely to be needed.

Risk Assessment

20. Risks to achievement of desired outcome and sustainability, including higher level risks, are identified with actions to minimise risks contained in risk plan

No matter how well planned and implemented, any development aid programme or project can substantially under-deliver or fail due to general risks and to the those inherent to working in developing countries. Thus is it necessary to identify these risks, including those to the results being sustained once the project is completed. A risk analysis and plan, including actions to decrease risk, needs to be prepared and implemented.

Monitoring and Evaluation

21. Results based (rather than activity or output focused) quarterly & annual monitoring included.

To be effective, a programme/project needs to deliver results, with progress towards the results monitored and reported against. Reflecting the less than adequate capacity for RBM in most developing countries, monitoring can tend to focus on reporting on the completion of activities and the delivery of outputs, rather than on results.

22. Progress reports are responded to with remedial actions implemented, documented and reported against.

When inadequate progress is reported, then remedial action needs to be taken. Where the reasons are beyond the control of the programme/project, then it may need to be redesigned or suspended, depending on the seriousness of the reasons.

Twenty-first session
Nairobi, 5-9 February 2001
Items 4 (a) and 8 of the provisional agenda*

GLOBAL MINISTERIAL ENVIRONMENT FORUM

POLICY ISSUES: STATE OF THE ENVIRONMENT

**CONTRIBUTION TO FUTURE SESSIONS OF THE COMMISSION
ON SUSTAINABLE DEVELOPMENT**

State of the global environment and contribution of the United Nations
Environment Programme to addressing environmental challenges

Report of the Executive Director

Addendum

Water policy and strategy of the United Nations Environment Programme

     The annex to the present note contains the refined water policy and strategy of the United Nations Environment Programme (UNEP), which has been prepared in pursuance of Governing Council decision SS.VI/2 of 31 May 2000, on activities of the United Nations Environment Programme, following consultations with the Committee of Permanent Representatives. It is submitted herewith for the Council's consideration.

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   *   UNEP/GC.21/1.

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<u>Suggested action by the Governing Council</u>

The Governing Council might wish to consider adopting a decision on the water policy and strategy of UNEP along the following lines:

<u>The Governing Council,</u>

<u>Recalling</u> its decisions 19/14 D of 7 February 1997, SS.V/4 of 22 May 1998, 20/25 of 5 February 1999 and SS.VI/2 of 31 May 2000,

(a)   <u>Takes note</u> of the report of the Executive Director on the work of the United Nations Environment Programme on water issues related to Governing Council decisions 20/25 and SS.VI/2 (UNEP/GC.21/2/Add.1);

(b)   <u>Further takes note</u> of the refined water policy and strategy of the United Nations Environment Programme (UNEP/GC.21/2/Add.1, annex);

(c)   <u>Welcomes</u> the refined water policy and strategy enhancing the focus of the work of the United Nations Environment Programme on the environmental aspects of sustainable development and integrated management of water in accordance with national needs;

(d)   <u>Expresses its appreciation</u> to the Executive Director for the measures taken to implement Governing Council decisions 20/25 and SS.VI/2;

(e)   <u>Also expresses its appreciation</u> to the Executive Director for the four progress reports submitted to the Committee of Permanent Representatives, on, first, the Global International Waters Assessment; second, the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities; third, the regional seas conventions; and, fourth, the water activities of the International Environmental Technology Centre;

(f)   <u>Further expresses its appreciation</u> for the establishment of an expert group on exchange of information on best practices in freshwater management;

(g)   <u>Stresses</u> the role of the United Nations Environment Programme in the environmental aspects of sustainable development and integrated management of water;

(h)   <u>Decides</u> that the United Nations Environment Programme, within its mandate, and taking into account national priorities, should place high priority on the identification of national expertise and knowledge relating to the environmental aspects of water, the establishment of partnerships between countries possessing and countries in need of that expertise and knowledge, and the promotion of intergovernmental collaboration;

(i)   <u>Requests</u> the Executive Director to intensify collaborative activities with Governments, upon request, as well as agencies and organizations both inside and outside the United Nations system, in furtherance of the implementation of the refined water policy and strategy of the United Nations Environment Programme;

(j)   <u>Also requests</u> the Executive Director to take the necessary measures for the continued implementation of the refined water policy and strategy of the United Nations Environment Programme, in keeping with the mandate of the Programme and the priorities outlined in Governing Council decisions and in line with the relevant chapters of Agenda 21;

(k)   <u>Also requests</u> the Executive Director to ensure that a review is conducted of the refined water policy and strategy of the United Nations Environment Programme at the twenty-second session of the Governing Council/Global Ministerial Environment Forum in 2003;

(l)   Also requests the Executive Director to identify key policy issues for the environmental aspects of water, arising from the activities undertaken by the United Nations Environment Programme in line with the decisions of the Commission on Sustainable Development, the Nairobi and Malmö declarations and the outcome of the comprehensive review of the implementation of Agenda 21, and to propose policy options for debate and endorsement by the Governing Council at its twenty-second session/Global Ministerial Environment Forum;

(m)   Also requests the Executive Director to ensure that the United Nations Environment Programme, when undertaking its activities related to the environmental aspects of water, takes into account the work carried out by other United Nations agencies and international organizations as well as by national Governments;

(n)   Also requests the Executive Director to promote the transfer of environmentally sound technologies for water management through the International Environmental Technology Centre;

(o)   Further requests the Executive Director to report to it at its twenty-second session on progress in the implementation of the present decision and in related environmental issues.

WATER POLICY AND STRATEGY OF THE UNITED NATIONS ENVIRONMENT PROGRAMME

Contents

Introduction

1.   Notwithstanding the considerable efforts made by many Governments, international and national organizations and agencies in tackling priority water-related problems, the latest report in the UNEP Global Environment Outlook series, (GEO 2000), demonstrates that there are still major weaknesses and gaps to be filled in this undertaking.

2.   As reported in GEO 2000, leading scientists around the world identified major water-related problem areas as: freshwater stress and scarcity (including water conflicts); poor freshwater quality; coastal and marine pollution; habitat degradation; overfishing; inadequate protection of aquatic biological diversity; and the degradation of coastal areas.

3.   Clearly UNEP cannot by itself address all freshwater, coastal and marine environment problems. Nor can any single United Nations organization or Government. This task will require serious coordination and collaboration among all relevant stakeholders, each capitalizing on its comparative advantage. These relevant stakeholders include all United Nations organizations, national Governments, water management institutions, regional and subregional intergovernmental bodies, international organizations and multilateral and bilateral donors.

4.   Freshwater problems centre on two key issues: quantity and quality. Issues of quantity involve both shortage (drought and overuse) and excess (floods), both of which affect, and are affected by, environmental management. The magnitude and severity of these problems varies from region to region and between years. The global trend, however, is towards a decrease in freshwater availability for both human uses and the environment, caused by increasing demand — demand that reflects population growth, technological factors and increased economic activity. The situation is further exacerbated by the increasing competition for available water within and between countries.

5.   Issues of quality concern the pollution of water bodies to the degree that the use of such bodies is restricted. Typical problems include sickness in human populations and ecosystem damage. Such ecosystem damage often results in a combination of negative environmental, economic and social impacts.

6.   Food production places a high demand on water. Between 70 and 80 per cent 1/ of current water withdrawals are for irrigation. A large percentage of water used in agricultural irrigation is wasted. The diversion of an ever larger proportion of the world's surface and groundwater resources to human use is resulting in severe environmental problems, including increased desertification, land degradation, loss of soil fertility and loss of productive wetlands, flood plains and aquatic habitats.

7.   Recent estimates suggest that 15 per cent 2/ of the Earth's land area has been degraded by human activities: 55.7 per cent of this land has been degraded by water erosion, 28 per cent by wind erosion, 12.1 per cent by chemical means (loss of nutrients, salinization, pollution and acidification), and 4.2 per cent by physical means (compaction, waterlogging and subsidence). Poor land use practices result in enhanced sediment loads and nutrient inputs, causing degradation of freshwater and coastal aquatic habitats and ecosystems. It is estimated that a very large number — measuring millions — of people currently suffering from food shortages live in the water-scarce regions of the world. If current trends continue, food aid in terms of subsidized or free food might have to increase several times over current levels. Regional water scarcity will thus have far-reaching consequences on a global scale.

        1/   The Commission on Sustainable Development Comprehensive Assessment of the Freshwater Resources of the World (1997), Report of the United Nations Security Council, page 5.

        2/   All figures in this paragraph taken from: Mostafa K. Tolba, Saving our Planet: Challenges and Hopes (1992), page 59.

8.   Increasing numbers of small island developing States are facing water scarcity. Drought, sea level rise and natural disasters such as cyclones, hurricanes, volcanoes and earthquakes all have a profound impact on water in such States. In addition, the economies of many such States are dominated by agriculture and tourism. The former causes degradation of water resources by agrochemicals; the latter uses inordinate quantities of freshwater. Land-based sources of pollution and waste-water discharges from hotels, which are increasingly in the 1,000-room range, are despoiling the reefs and oceans on which these islands' economies significantly depend.

9.   Increased urbanization has placed unsupportable loads on water use and water supply infrastructure, especially in the larger cities of the developing world. In meeting the water supply needs of their expanding populations, especially the urban poor, mega-cities have to cope with intense competition from agriculture and industry. The shortage of clean water in large cities has further exacerbated the allocation of water between agriculture and domestic consumers, not just in terms of water itself but also in terms of the funds invested to supply water. Mega-cities also have to tackle the increasing pollution of their freshwater sources by ever growing volumes of urban waste and the increasing environmental risks posed by the over-abstraction of groundwater resources, inadequate drainage and floods.

10.   Increasingly, water-related environmental problems are becoming international in scope as local pollution problems spread across borders, under the pressure of population growth, increased fertilizer and pesticide use, more industries, and inadequate pollution controls. In addition, long-range transport mechanisms contaminate water bodies at a distance from the source and subsidized and overcapitalized fishing fleets are chasing declining stocks of transboundary and migratory fish stocks. Water supply problems relating to both quantity and quality have been, and continue to be, a source of contention.

11.   There are three priority marine-related issues and problems. The first is overfishing and the use of destructive fishing gear. The second is the loss and degradation of highly productive ecosystems in the transition zone between land and ocean due to increasing ribbon development along coastlines. The third is the deteriorating quality of coastal water, resulting from increased volumes of contaminants discharged directly and indirectly via surface and groundwater.

12.   The environmental problems of the oceans and coastal areas stem in large part from land-based activities and the long-distance transport of contaminants by atmospheric and biological processes, with the consequence that no part of the ocean is immune from human impacts. Some 80 per cent 3/ of pollution loads in the ocean originate from land-based activities. These include municipal, industrial and agricultural waste and run-off and atmospheric deposition. These contaminants affect the most productive areas of the marine environment — estuaries and near-shore coastal waters.

13.   The marine environment is also threatened by physical alterations of the coastal zone, including destruction of habitats of vital importance in maintaining marine ecosystems. Given all these factors, it is vital that the linkages between integrated approaches to the management of river basins and coastal and marine environments be recognized and properly exploited. Integrated coastal area management includes physical planning and the sustainable development of coastal areas to prevent the environmental degradation of coastal ecosystems.

14.   The consequences of unsustainable water use are felt in many different sectors. These multisectoral effects are evidence, in turn, of the interlinkages and dependencies between different activities and sectors. For example, unsustainable water use has negative implications for food production, human health and biological diversity. While some commentators perceive a conflict between environmental protection and human use, without environmentally sustainable water use the quantity and quality of the resource itself is degraded and the economic and social benefits of water are reduced or even lost.

3/   Global Programme of Action for the Protection of the Marine Environment from Land-based Activities (1999), page 1.

I. MANDATE, OBJECTIVES AND ROLE OF UNEP

15.   The role and mandate of UNEP are to be found in the resolutions of the United Nations General Assembly and decisions of the Governing Council, which provide the legislative authority for the development of the UNEP water policy and strategy. The Nairobi Declaration on the Role and Mandate of UNEP, adopted in February 1997, refocused this mandate.

16.   In the decisions it adopted at its nineteenth and twentieth sessions, the Governing Council accorded particular attention to a review of the role of UNEP in freshwater, coastal and marine issues. The decisions and recommendations of the 1972 Stockholm Conference on the Human Environment and the 1992 United Nations Conference on Environment and Development — the Earth Summit — also provided important inspiration for the UNEP water policy and strategy.

17.   Most UNEP activities relevant to the environmental management of freshwater, marine and coastal issues that predate the adoption of Agenda 21 were recognized and endorsed by the Earth Summit as contributing to the implementation of Agenda 21. In chapters 17 and 18 of Agenda 21, specific priorities for action are outlined for managing freshwater, marine and coastal resources.

18.   As emphasized in chapter 38 of Agenda 21, a key objective to be pursued by UNEP within the United Nations system is the provision of policy guidance and coordination in the field of the environment. This entails the major responsibility of facilitating the integration of the environmental aspects of social and economic development into policy discussions involving freshwater issues. In pursuit of this goal, UNEP accords high priority in its activities to the protection, conservation and more efficient use of freshwater resources, both for human survival and for the maintenance and protection of ecosystems of value to humans. Priority areas for UNEP include the provision of technical, legal and institutional advice to Governments, upon request, in establishing and enhancing their national legal and institutional frameworks. These priorities have guided and will continue to guide the development and implementation of the UNEP water policy and strategy.

19.   In the context of this extensive legislative authority, UNEP's strategic approaches to the issue of water, in the context of the environment, include:

(a)   Filling the information and knowledge gap on critical freshwater, coastal and marine issues through a more comprehensive assessment process;

(b)   Providing forums for intergovernmental policy dialogue and information exchange on issues relating to freshwater and the coastal and marine environment;

(c)   Monitoring, reviewing and analysing freshwater, coastal and marine issues;

(d)   Identifying and promoting the use of appropriate integrated policy measures in tackling the root causes of major freshwater, coastal and marine environmental concerns;

(e)   Promoting cooperative actions for the protection, rational use and development of freshwater, coastal and marine resources;

(f)   Strengthening the process of consultations, coordination and networking and promoting dialogue with various stakeholders.

II. THE UNEP WATER POLICY AND STRATEGY

20.   In response to the growing recognition of the potential severity of water-related environmental problems worldwide, the UNEP water policy and strategy will place considerable emphasis on addressing these problems in a holistic, integrated and coordinated manner.

21.　At the same time, UNEP recognizes that it cannot by itself address all water issues effectively and fully. It has to focus and concentrate on selected targets and coordinate its environment work with the work of other international organizations, Governments and the private sector to ensure a properly holistic approach and effective and sustainable outcomes. It will also work with these partners, where appropriate, to encourage improved coordination of efforts to address water problems.

A.　Goals

22.　The following may be identified as the primary goals of the UNEP water strategy:

(a)　Achieving greater global understanding of freshwater, coastal and marine environments by conducting environmental assessments in priority areas;

(b)　Raising awareness of the importance and consequences of unsustainable water use;

(c)　Supporting the efforts of Governments in the preparation and implementation of integrated management of freshwater systems and their related coastal and marine environments;

(d)　Providing support for the preparation of integrated management plans and programmes for aquatic environmental hot spots, based on the assessment results;

(e)　Promoting the application by stakeholders of precautionary, preventive and anticipatory approaches.

B.　Focal areas

23.　In pursuit of these goals, the UNEP water strategy is concentrating on the following focal areas:

(a)　Freshwater scarcity and water conflicts between human activities and aquatic ecosystems;

(b)　Land-based sources of pollution and alteration of habitats, and their impacts on aquatic ecosystems;

(c)　Aquatic biological diversity, its functions and the benefits to be derived from a properly operating aquatic ecosystem, and the relationship of that ecosystem with fisheries and aquaculture;

(d)　Resource use and management planning in harmony with economic and social development;

(e)　Knowledge and technology transfer in integrated water management.

C.　Expected outputs

24.　Implementation of the UNEP water policy and strategy is designed to yield the following results:

(a)　Global assessments of major priority aquatic ecosystems (river and lake basins, large marine ecosystems, aquifers), with a view to developing appropriate policy responses;

(b)　Provision of environmental data for global assessment in cooperation with other organizations;

(c)　Diagnosis of priority freshwater environmental problems and their underlying causes;

(d)　Forecasting of the environmental consequences of freshwater scarcities;

(e)   Development of environmental management strategies and tools for land-based activities that affect the coastal and marine environment;

(f)   Active support for the development of agreed guidelines and programmatic approaches to existing regional mechanisms for the environmental assessment and management of freshwater, coastal and marine resources by relevant intergovernmental regional bodies, including regional seas and river basin organizations;

(g)   Evaluation, promotion and transfer of environmentally sound technologies and practices;

(h)   Greater awareness of the importance and consequences of unsustainable water use;

(i)   Assessment and development of policies, guidelines and management tools for environmentally sustainable integrated water management, plus the implementation of pilot projects to demonstrate their use;

(j)   Recommendation of guidelines and tools for environmentally sustainable water management for consideration by Governments and appropriate authorities and the possible implementation of pilot projects;

(k)   Fostering and developing new and innovative approaches and mechanisms for assessing and managing the aquatic environment and its associated resources.

III. KEY COMPONENTS OF THE UNEP WATER POLICY AND STRATEGY

25.   The key components of the UNEP water policy and strategy — assessment, management and coordination — are considered in more detail In the following sections.

A. Assessing global water resources

1. Global International Waters Assessment

26.   The main framework for UNEP assessment activities in the area of water is the Global International Waters Assessment (GIWA) exercise, which provides background and analytical information to help in the identification of priorities and formulation of appropriate policy responses to address the issues identified.

27.   The lack of a comprehensive assessment of transboundary and other water bodies, both marine and freshwater, has been a serious impediment to the implementation of agreed actions. At the current time, there is no still firm basis on which to identify areas of global priority for intervention. Furthermore, many actions aimed at resolving environmental problems have failed to identify their geographical boundaries and their social root causes.

28.   Existing assessment-related activities, such as those under the water programme of the Global Environment Monitoring System (GEMS/Water), will continue to provide information and data that will be used in the GIWA process. In addition, UNEP will review the structure of GEMS/Water with a view to aligning it more directly with current priorities and emerging issues. In its work, GIWA will make use of the regional seas networks and its expert groups dealing with marine pollution assessment. The outputs of GIWA will then be used to strengthen priority-setting within the implementation of the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities and in the revitalization of the regional seas conventions and action plans.

(a)   Mandate, objectives and role of GIWA

29.   GIWA is executed by UNEP, with the support of the implementing agencies of the Global Environment Facility (GEF) and other partners and stakeholders. In order to avoid duplication of efforts, GIWA makes full use of existing assessments and all other available information. Work is under way to develop cooperation and linkages with all relevant international and national organizations.

30.   The ultimate goal of GIWA is to provide Governments, decision makers and funding agencies with a quantitative, scientifically accurate identification and assessment of environment-related water issues in subregions around the world. This will facilitate the identification of priorities by GEF and its partners for remedial and mitigatory actions in water bodies, thus enabling countries to manage their water resources in a sustainable manner.

31.   Other aims of the GIWA process include the following:

(a)   Serving as an effective mechanism for the exchange of water-related information generated through the various activities of Governments, the United Nations and its specialized agencies and other organizations;

(b)   Facilitating the provision of expert inputs in terms of assessment, policies and strategies;

(c)   Bridging the traditional separation between freshwater and seawater assessments, through a stronger focus on marine areas and their freshwater drainage basins;

(d)   Providing basic and currently unavailable information to policy makers, managers and the public, so as to foster a greater understanding of the severity of environmental problems in transboundary waters, their social causes and the options available for solving them.

(b)   GIWA work plan and strategy

32.   GIWA is being implemented in four phases, the main components of which are as described below:

(a)   Phase one covers the development of the GIWA methodology and entails the establishment of the GIWA network, comprising national experts and institutions, regional and global collaborating bodies, GIWA coordinators (focal points and task teams, etc.), organized around the geographical units of assessment, namely, 66 subregions and nine major regions, or megaregions;

(b)   Phase two (the analytical phase) involves gathering and analysing the information necessary for applying the GIWA assessment protocol at the subregional level;

(c)   Phase three (the predictive and policy options analysis phase) comprises work on scenario development and policy options analysis;

(d)   Phase four (the dissemination phase) concentrates on the preparation and dissemination of the global and regional GIWA products, such as reports, reviews, databases, etc., that are easily comprehensible to different sectors of society.

(c)   Expected outputs of GIWA

33.   The main outputs of GIWA will include the Global International Waters Assessment itself, a comprehensive report comparable to the global assessments on biodiversity, climate change and the stratospheric ozone layer.

34.   Other outputs will include the following:

(a)   A GIWA assessment protocol, including an agreed methodology for conducting causal chain analyses to examine the social causes of water-related environmental problems;

(b)   A methodology for making diagnostic analyses on a regional scale;

(c)   Sixty-six subregional and nine megaregional reviews of the ecological status of transboundary and other waters, as well as major environment-related water issues, including analyses of their social causes;

(d)   Megaregional and subregional scenarios for the future state of transboundary waters, based on planning boundaries, trends and rates of changes in industrialization, population growth and development;

(e)   A global analysis of the social causes of identified major environmental water-related concerns, principal issues and effective policy responses.

2. Other assessment activities

35.   GEMS/Water is the only global freshwater water quality monitoring and assessment programme within the United Nations system. GIWA needs water quality data for its comprehensive assessment purposes, and the data which GEMS/Water collects are relevant to the GIWA assessments. Modalities for obtaining better spatial coverage and the selection of parameters included in the global GEMS/Water database are currently under review in the light of the requirements of GIWA and the Global Programme of Action.

36.   UNEP is working to ensure that all freshwater monitoring and assessment efforts are integrated and coordinated, so as to meet the overall goals of GIWA.

B. Managing global water resources

1. The regional seas programme

37.   The UNEP regional seas programme was created in 1974 as a global programme implemented through regional components. It covers 14 regions around the world, 4/ and more than 140 coastal States and territories participate in the programme. Most of the regional seas conventions fall under the legislative authority of their contracting parties or intergovernmental meetings and are implemented through periodically revised action plans adopted by high-level intergovernmental meetings.

38.   These regional agreements and conventions and their related protocols and action plans have been most effective in engaging Governments in efforts to protect the coastal and marine environment. They provide comprehensive coverage of issues ranging from chemical wastes and integrated approaches to the management of coastal areas to the conservation and management of marine living resources and ecosystems. In July 1999, in response to the recommendations of Governments for the revitalization of the regional seas programme, UNEP organized a second global meeting of regional seas conventions, which agreed on a series of measures for strengthening these instruments.

4/   United Nations Environment Programme, Progress report on the implementation of the Regional Seas Component of the UNEP Water Policy and Strategy, submitted to the Committee of Permanent Representatives, August 2000.

(a)   Mandate, objectives and role of the regional seas programme

39.   The mandate granted to UNEP to deal with oceans and coastal areas may be found in the relevant decisions of the 1972 Stockholm Conference on the Human Environment and the 1992 United Nations Conference on Environment and Development. The policy framework for its work in this field is contained in Governing Council decision 20/19 A of 5 February 1999, on oceans and seas. Of paramount importance in this decision was the call for UNEP to strengthen the regional seas conventions and action plans as the central mechanism for the implementation of activities relevant to chapter 17 of Agenda 21.

40.   In pursuit of this goal, UNEP is undertaking a series of measures along the lines set out in Governing Council decision 20/18 B of 5 February 1999, on strengthening the role of UNEP in promoting collaboration among multilateral environmental conventions and in providing programmatic support to multilateral environmental conventions. UNEP is also promoting and facilitating collaboration between the regional seas conventions and action plans on the one hand and, on the other, relevant global environmental conventions and agreements in areas of common concern.

41.   The overarching objectives of the regional seas conventions and action plans include:

        (a)   Promoting the integrated management and sustainable development of marine and coastal areas and associated river basins and their living aquatic resources;

        (b)   Promoting the implementation of appropriate technical, institutional, administrative and legal measures for the improved protection of the coastal and marine environment;

        (c)   Facilitating assessments of the coastal and marine environment, including their conditions and trends.

42.   The regional seas conventions and action plans are action-oriented programmes that focus not only on mitigating or eliminating the consequences of environmental degradation, but also on its causes. A comprehensive, integrated, results-oriented approach is adopted to combat environmental problems through the sustainable management of marine and coastal areas.

(b)   Work plan and strategy of the regional seas programme

43.   The Governing Council has called for the revitalization and strengthening of the regional seas conventions and action plans. The UNEP water policy and strategy provide a framework for achieving these objectives.

44.   First, UNEP provides strategic programmatic support to the work plans of regional seas conventions and action plans, particularly in their interface with the priorities of the UNEP programme of work. To this end, the regional seas programmes are expected to play a key role in the implementation of GIWA, the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities, the Programme of Action for the Sustainable Development of Small Island Developing States and the International Coral Reef Initiative (ICRI). Special attention is being given to strengthening the regional seas conventions in the African region, specifically the Abidjan and Nairobi conventions.

45.   Second, UNEP is promoting and facilitating horizontal cooperation, or twinning, between the more developed regional seas conventions and action plans and those that are less developed.

46.   Third, UNEP is assisting the financially weaker regional seas programmes to explore and identify innovative funding approaches.

(c)   Expected outputs of the regional seas programme

47.   The main output is expected to be a revitalized regional seas programme that takes into account specific challenges in the respective regions.

48.   Other anticipated outputs include:

      (a)   Revitalization of some of the regional seas conventions, with a view to making them more effective;

      (b)   Strengthened linkages with the Global Programme of Action;

      (c)   Integration of the priorities of the regional seas programme in the GIWA work plan;

      (d)   Closer collaboration between the regional seas conventions and relevant global conventions;

      (e)   Promotion of horizontal cooperation between and among the regional seas conventions and action plans.

2.   Global Programme of Action for the Protection of the Marine Environment from Land-based Activities

49.   The Global Programme of Action for the Protection of the Marine Environment from Land-based Activities, which was established in 1995, is the primary mechanism for concentrating UNEP management efforts in strengthening regional and national efforts to tackle what is perhaps the most important threat to the marine environment: the flow of chemicals, all forms of waste and other pollutants into the sea via the air, rivers and coastal activities.

50.   Approximately 80 per cent of marine pollution originates from land-based activities. 5/ The UNEP report GEO-2000 indicates that more than a third of the world's population lives within 100 kilometres of the seashore. 6/ It is estimated that 60 per cent of cities with populations of 2 million or above are coastal cities. The health and well-being of coastal populations depend on the health and well-being of coastal systems, which include near-shore waters, estuaries and wetlands, and their associated drainage basins. Human pressure is negatively affecting these habitats through pollution and physical alteration.

51.   The Global Programme of Action (http://www.gpa.unep.org) sets the goals and priorities for UNEP activities with regard to the management of the coastal and marine environment. The continuing revitalization of the regional seas conventions and action plans will render the Global Programme of Action more effective, as these conventions and action plans provide an overarching context for the implementation of the guidelines and other activities emanating from the Global Programme of Action.

(a)   Mandate, objectives and role of the Global Programme of Action

52.   Governments adopted the Global Programme of Action and the Washington Declaration on Protection of the Marine Environment from Land-based Activities in 1995. They also designated UNEP as the secretariat for the Global Programme of Action. As such, the role of UNEP includes the following:

      5/   Global Programme of Action for the Protection of the Marine Environment from Land-based Activities (1999), page 1.

      6/   United Nations Environment Programme, Global Environment Outlook 2000, page 44.

(a)   To promote and facilitate the implementation of the Global Programme of Action at the national, subregional and regional levels, in particular through the revitalization of the regional seas conventions and action plans;

(b)   To catalyse the implementation of the Global Programme of Action at the international level by United Nations organizations, development banks, GEF and other relevant entities;

(c)   To review progress in the implementation of the Global Programme of Action;

(d)   To promote the exchange of experience between regions, particularly through the establishment and operation of a clearing-house mechanism under the Global Programme of Action;

(e)   To consider the need for international rules and recommended practices and procedures to further the objectives of the Global Programme of Action.

53.   The policy objective related to the Global Programme of Action and stated in Agenda 21 is "to prevent, reduce and control degradation of the marine environment so as to maintain and improve its life support and productive capacities".

54.   Agenda 21 states that, to achieve this policy objective, the following, _inter alia_, are required:

(a)   Application of preventive, precautionary and anticipatory approaches;

(b)   Prior assessment of activities that may have significant adverse impacts on the marine environment;

(c)   Integration of the protection of the marine environment into relevant general environmental, social and economic development policies;

(d)   Development of economic incentives;

(e)   Application of clean technologies;

(f)   Internalization of environmental costs through, for example, the "polluter pays" principle;

(g)   Improvement of the living standards of coastal populations, particularly in developing countries.

55.   The Global Programme of Action, which was adopted by 108 Governments, translates this overall policy objective into national, regional and global objectives, and specifies what needs to be done to address the different pollutant source categories and physical degradation of coastal and marine ecosystems, namely:

(a)   At the national level, to develop comprehensive, continuing and adaptive programmes of action within the framework of integrated coastal management, harmonized with river basin management and land use plans;

(b)   At the regional level, to strengthen and, where necessary, create new regional cooperative arrangements and joint actions to support effective action, strategies and programmes at the national and local levels.

(b)   Work plan and strategy of the Global Plan of Action

56.   To implement the role of UNEP as the secretariat of the Global Programme of Action, three clusters of activities will be implemented in 2000 and 2001. The strategy will be revised in 2001, on the basis of the

outcome of an intergovernmental review process. The three activity clusters are mutually supportive and part of a cyclical process:

    (a)   Analysis for action;

    (b)   Mobilizing action at the national, regional and global levels;

    (c)   Evaluation and further development of the Global Programme of Action.

57.   Analysis for action comprises two components: first, finalizing the publications emanating from the first phase of the work programme of the Global Programme of Action (regional workshops of government-designated experts); second, providing targeted analyses as a contribution to GIWA — which will in turn also benefit the Global Programme of Action, as well as efforts to mobilize action at the national, regional and global levels.

58.   The outputs and performance indicators will include regional overviews, a global assessment of land-based activities, a review of major marine issues, an analysis of the benefits of action by stakeholders and the opportunities for further such action, an analysis of the factors contributing to policy successes and failures of policy, and a consideration of possible financial and economic responses.

59.   Efforts to mobilize action at the national, regional and global levels include:

    (a)   Promoting non-binding and binding agreements on land-based activities, particularly in the context of the regional seas. The non-binding agreements involve Governments and the private and public sectors; binding legal agreements are in the form of treaties, protocols, etc.;

    (b)   Mobilizing action at the national and regional levels, particularly within the framework of regional conventions and action plans. This also includes frameworks for action approved by Governments, GEF projects related to the Global Programme of Action, capacity-building through such measures as twinning arrangements within the context of the regional seas conventions, and the brokering of funding arrangements for specific action;

    (c)   Better global coordination in the implementation of the Global Programme of Action, with a view to promoting cooperation with all parties concerned, including within the framework of the Administrative Committee on Coordination's subcommittees on oceans and coastal areas and on water resources, the global ocean governance process and other global and regional coordination mechanisms, as appropriate.

(c)   <u>Expected outputs of the Global Programme of Action</u>

60.   By taking into account developments, including new and emerging issues, since its adoption in 1995, the 2000 evaluation of the Global Programme of Action is expected to strengthen the Programme still further. As mentioned above, the Global Programme of Action is implemented primarily by national Governments. At the same time, international institutes and organizations, non-governmental organizations, convention secretariats, regional seas bodies and — it is to be hoped — the private sector will also contribute to its implementation.

61.   UNEP provides secretariat services for the implementation of the Global Programme of Action by different stakeholders. Major areas of concentration include developing overviews on how different stakeholders can implement the Programme and the further development of the Programme. A significant opportunity for this will be provided by the first intergovernmental review process planned for 2001.

62.   The outputs and performance indicators will include regular overviews of the implementation of the Global Programme of Action by different partners and preparing and holding the first intergovernmental review meeting in 2001.

63.   During 2000 and 2001, the activities of the Coordination Office will focus on the implementation of the strategic action plan on municipal wastewater, the preparation of the first review of the Global Programme of Action and the development of the Programme's clearing-house mechanism.

3. Freshwater

64.   Water resources are essential for satisfying human needs, protecting health, and ensuring food production, energy and the restoration and maintenance of ecosystems, as well as for social and economic development in general, and also for sustainable agricultural development.

65.   The quantity and quality of, demand for and supply of freshwater remain critical issues as we move forward into the twenty-first century. The provision of an adequate supply of safe and clean water is regarded as the most important precondition for sustaining human life, for maintaining ecosystems that support all life, and for achieving sustainable development.

66.   To complement the work of the Global Programme of Action in the area of the marine environment, and to promote comprehensive coverage, the UNEP water policy and strategy will take into consideration related freshwater issues within its mandate. It recognizes that growing competition for water within and among countries can be a threat to social, environmental and economic security. At least 214 river basins constitute boundaries between countries. 7/ UNEP has an important role to play in promoting cooperation among riparian States and concerned coastal States and, at the request of all affected States, in the field of water-related environmental problems.

67.   As demands on freshwater increase, and in the absence of mechanisms to arrive at a clear consensus on how best to use finite water resources for the benefit of all, competition for these resources risks erupting into acrimonious disputes. There are already many areas that could experience conflict as a result of unequal distribution of or access to water.

68.   At the second meeting of the UNEP High-Level Committee of Ministers and Officials, Governments agreed that UNEP should play a vital role in providing substantive environmental inputs into freshwater issues. At its fifth special session, the Governing Council reiterated this view, directing UNEP to enhance its role in the environmental aspects of the sustainable management of freshwater.

(a)   Mandate, objectives and role of UNEP in the area of freshwater

69.   In its decision 6/1 on strategic approaches to freshwater management, the Commission on Sustainable Development reinforced the environmental focus of UNEP, calling on it to collaborate with other members of the ACC Sub-committee on Water Resources by providing "technical and scientific advice on environmental aspects of the sustainable development of freshwater resources". As emphasized in chapter 38 of Agenda 21, a key objective to be pursued by UNEP within the United Nations system is the provision of policy guidance and coordination in the field of the environment.

70.   As the logical follow-up to its assessment efforts, UNEP activities in integrated water management will focus on assisting Governments, on request, in addressing the water-related problems identified by GEO-2000, GIWA and other relevant investigations. UNEP accords particular attention to identifying water-related environmental problems — where they occur, how serious they are and what their causes are. UNEP can also assist Governments, particularly those of developing countries and countries with economies in transition, in tackling their freshwater issues by determining what can be done, who should do it and how it should be done in partnership with stakeholders.

7/   Mostafa K. Tolba, Saving Our Planet: Challenges and Hopes, (1992), page 50.

71.   The UNEP Governing Council has identified a range of possible issues for UNEP to consider within its environmental mandate. These include:

   (a)   Access to safe drinking water;

   (b)   Sanitation;

   (c)   Food production;

   (d)   Agricultural irrigation;

   (e)   Industrial development;

   (f)   Community participation;

   (g)   Preservation of ecosystems;

   (h)   Integrated water management;

   (i)   Cooperation in transboundary environmental water issues, including assisting developing countries, on request, in developing their abilities to manage their water resources;

   (j)   Developing tools for monitoring and analysing water quality and quantity;

   (k)   Technology transfer;

   (l)   Institutional strengthening.

72.   Other areas requiring attention include:

   (a)   Application of preventive, precautionary and anticipatory approaches;

   (b)   Prior assessment of activities that may have significant adverse impacts on the freshwater environment, affecting both surface and groundwater;

   (c)   Integration of the protection of freshwater environments and groundwater into relevant general environmental, social and economic development policies;

   (d)   Contributing, on request, to the efforts of Governments in the development of economic incentives;

   (e)   Contributing, on request, to the efforts of Governments in the development of legal instruments, including those for groundwater;

   (f)   Application of clean technologies.

(b)   <u>Work plan and strategy of UNEP in the area of freshwater</u>

73.   The environmental aspects of freshwater resources touch on virtually all human and ecosystem needs. UNEP has an important role to play in assessing freshwater resources and, where appropriate, supporting the development of practical measures in cooperation with Governments to guarantee the health of the freshwater environment.

74.   Accordingly, UNEP freshwater-related activities will include:

   (a)   Assessing priority freshwater environmental issues to support human life and to maintain natural ecosystems;

   (b)   Promoting the environmental dimension of freshwater management for sustainable development and fostering international cooperative action with a view to ensuring that freshwater systems are environmentally sustainable;

   (c)   Analysing best practices in urban water management, including the appropriate management and reuse of stormwater and effluent and the conservation of water supplies;

   (d)   Providing a forum for ministers and officials of member Governments to share expertise and analyse mechanisms for the application of best practices in all aspects of environmentally sound freshwater management, and to determine the economic benefits provided by freshwater ecosystems;

   (e)   Assisting Governments in identifying effective and appropriate practices in public participation in achieving freshwater environmental management objectives;

   (f)   Contributing, on request, to the efforts of Governments in analysing and developing environmental policies and instruments to sustain freshwater systems.

(c)   Expected outputs of UNEP freshwater activities

75.   It is hoped that the UNEP freshwater activities will result in a wide range of outputs, including the following:

   (a)   Assessments and inventories of the environmental state of freshwater resources;

   (b)   Contributions to the regional reviews of the implementation of chapter 18 of Agenda 21, including the analysis and identification of best practices;

   (c)   Assessment, development and recommendation of innovative policies and strategies for sustainable freshwater use;

   (d)   Guidelines on best practices and information on technological options for sustainable freshwater management;

   (e)   Activities to raise awareness and improve education and the participation of the general public;

   (f)   Pilot projects approved by all affected countries that test the effectiveness of these policies;

   (g)   Various projects related to the GEF international waters portfolio.

(d)   Technology transfer

76.   Technology is a major tool in promoting the environmentally sound management of freshwater. The Rio Principles, Agenda 21 and decisions of the UNEP Governing Council and the Commission on Sustainable Development have all underscored the importance of appropriate technology and its transfer to developing countries. In this context, the development and promotion of local technologies should also be accorded due attention. These areas provide opportunities for cooperation between Governments, UNEP and relevant agencies.

77.   Technology has a pivotal role to play in helping us to maintain and improve our environment. Technological skills and innovative approaches are required to reduce the generation of waste at source. Significant improvements are also necessary in waste-recycling and waste-treatment technologies. With regard to agriculture, improvements are necessary in irrigation efficiency. In addition, advances in biotechnology could play an important role in producing food using less water. Alternative and less costly sources of energy also need to be explored to reduce the cost of desalination.

78.   Fortunately, there is an expanding environmental industry around the world capable of providing solutions rather than creating problems. UNEP supports the transfer of appropriate technology, especially in the areas of water management, and it is also providing advisory services to projects promoting cleaner production technologies. Governments in all regions have made substantial efforts to encourage industries to adopt cleaner production methods, with major successes in a number of countries.

79.   Greater attention will be given to the use of local technologies which are more suitable for the specific conditions in the countries where they have been developed. The identification and analysis of the costs, effectiveness and strengths and limitations of alternative technologies constitute an important step in this direction. UNEP's International Environmental Technology Centre (IETC) has been playing — and will continue to play — a major role in this subject area. UNEP will also conduct awareness-raising initiatives on technology development and transfer in the water sector.

(e)   Economic dimension of sustainable water use

80.   As we move forward into the twenty-first century, such phenomena as rapid industrialization, population growth and the emergence of mega-cities around the world are making increasing demands on water resources that exceed available supplies. In many parts of the world the human consumption of water is wasteful, owing, in part, to economic factors. In addition, the social aspects of the supply of sufficient water for human survival, poverty reduction and health improvement must be taken into consideration, particularly in the poorer parts of the world.

81.   Experience with the application of such measures as the "polluter pays" principle, water pricing, water utility privatization and subsidies needs to be further examined. UNEP activities in these fields may, at the request of Governments, include capacity-building measures for integrated environmental and economic assessment.

82.   One focus of UNEP activities is the protection and conservation of water-related ecosystems. While humans typically allocate water supplies solely on the basis of human water needs, water-related ecosystems provide a wide range of services to humans free of charge. These services include waste assimilation, nutrient recycling, water supply, water regulation, regulation of global cycles, etc. Accordingly, destroying or otherwise debilitating these water-related ecosystems will require humans to pay for these previously free services.

83.   UNEP and relevant partners are joining forces to develop and refine the concept of ecosystem valuation, particularly with regard to transboundary water resources. This includes using such international forums as the environment and ecology component of the Global Water Partnership.

C. Environmental aspects of legal instruments and processes

84.   UNEP will continue to support international instruments, in particular internationally binding agreements, in accordance with its mandate. It will also strengthen its role in this area by promoting and encouraging the conclusion of environmental agreements among riparian States that aim to safeguard and improve their ecological systems.

D. Public awareness

85.   UNEP will undertake various public awareness, media and education activities to promote the sustainable management and use of the Earth's water resources. Policy-relevant documents on the environmental aspects of freshwater issues should be developed for use by Governments, to facilitate the incorporation of environmental considerations in sustainable social and economic development programmes.

E. Public-private partnerships

86.   The past decade saw a considerable increase across the world in the number and scope of public-private partnerships in the water and sanitation sector. These range from the contracting out of selected activities to the complete sale of assets to the private sector. Issues such as the merits and demerits of different models of public-private partnerships, how they serve the poor, their current global use, and emerging trends remain to be explored. Better urban governance is crucial to water conservation and is increasingly becoming the subject of such partnerships.

F. Water desalination

87.   It is now technically and economically feasible to generate large volumes of water of suitable purity through the desalination of seawater and brackish water, and through water reuse. Plants generating millions of litres a day have performed reliable delivery of water of high purity at progressively reduced costs.

G. Best practices

88.   UNEP will promote the exchange and dissemination of information on sound policy responses and cost-effective technologies, as well as experience and lessons learned at the subregional, regional and global levels, in the environmentally sustainable management and use of freshwater resources. There is a need to develop environmental perspectives and to facilitate discussions on best-practice responses with regard to policy, institutional, legal and economic options for addressing the environmental aspects of critical freshwater issues. This approach will encourage discussions on, and the development and application of, environmental standards and guidelines based on best-practice policy responses.

89.   Partnerships will be strengthened with major groups as a means of drawing on the range of available expertise in identifying best-practice responses to environment-related freshwater issues at all levels. Relevant groups include the Water Supply and Sanitation Collaborative Council, the World Water Council, the Global Water Partnership and regional institutions and networks and special-purpose organizations such as the World Commission on Dams.

IV. GLOBAL WATER RESOURCES: COORDINATION, PARTNERSHIPS AND MOBILIZING ACTIONS

90.   UNEP will provide strategic coordination for and help mobilize actions and partnerships at various levels. These efforts will involve work with Governments and partners to organize regional and subregional forums on a regular basis. The objective of these meetings will be the development of a common vision and perspectives on the priority freshwater issues within the mandate of UNEP. This will also enable government representatives and experts to provide policy inputs and advice on the full range of environmental and social and economic issues related to the sustainable use and management of freshwater, coastal and marine resources.

91.   Such efforts could be strongly promoted through UNEP regional offices, and through its existing programmes and frameworks for regional cooperation. These include such UNEP-supported regional arrangements as the ministerial conferences on the environment, the regional seas programme and intergovernmental agreements on internationally shared waters. The regional seas conventions and action plans cover 14 regions 8/ and their intergovernmental bodies cooperate directly with UNEP in the development of programmes. A number of river and lake-basin organizations also participate in integrated river basin management programmes and the GEF international waters portfolio.

92.   UNEP is taking part in the water-related activities of the United Nations System-wide Special Initiative on Africa, which is addressing the following key priorities:

     (a)   Improving water management with a special focus on water-related assessments;

     (b)   Ensuring effective water governance;

     (c)   Meeting urgent water needs (household water security, water for food production and water for African cities).

93.   As the agency within the United Nations system responsible for policy guidance and coordination in the field of the environment, UNEP will continue to work closely with the ACC Sub-Committee on Water Resources and its partner United Nations agencies to ensure that the relevant environmental perspectives inherent in these measures are fully considered in intergovernmental policy discussions on freshwater resources. The ACC Sub-Committee was designated as the task manager responsible for reporting on the implementation of chapter 18 of Agenda 21. In addition, UNEP supports the work of the ACC Sub-Committee on Oceans and Coastal Areas. As mentioned above, these sub-committees also perform an advisory and coordinating function with regard to the Global Programme of Action.

94.   At the inter-agency level, a number of decisions adopted by the Inter-agency Committee on Sustainable Development and the Commission on Sustainable Development refer to the relationship between the Global Programme of Action and these sub-committees. A plan of action has been established and agreed upon with the chairs of the sub-committees to implement these decisions by April 2000. Inter-agency coordination is thus being ensured through existing mechanisms, as well as through the sessions of the Commission and the Committee. UNEP will also continue to collaborate with sister agencies within the framework of the Committee.

95.   Where cooperation with relevant United Nations agencies is concerned, UNEP will strengthen relationships with key organizations such as the United Nations Centre for Human Settlements (UNCHS) (Habitat). The alliance between UNEP and UNCHS (Habitat) will be reinforced, in particular in the areas of water and sanitation and land-based sources of pollution, such as sewage. A joint water project is currently being implemented to assist African countries to establish early warning mechanisms to detect hot spots where sustainability is threatened and to help them deal with the growing ecological impacts of large cities on the continent's resources. Within the framework of the joint Sustainable Cities Programme, cities around the world are currently participating in the development of such measures as freshwater management strategies.

96.   UNEP will also cooperate with the International Maritime Organization (IMO), the Food and Agriculture Organization of the United Nations (FAO) and the World Conservation Union (IUCN), in particular with regard to implementing the various protocols for the regional seas conventions and action plans. UNEP will also work closely with the United Nations Development Programme (UNDP) and the World Bank within the framework of GEF, with the Intergovernmental Oceanographic Commission (IOC) of the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World

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     8/   United Nations Environment Programme, Progress report on the implementation of the Regional Seas Component of the UNEP Water Policy and Strategy, submitted to the Committee of Permanent Representatives, August 2000.

Meteorological Organization (WMO) and the International Council of Scientific Unions (ICSU) in global observing systems, and with the World Health Organization (WHO), WMO and UNESCO within the framework of GEMS/Water.

97. In addition, UNEP will continue its efforts to forge partnerships at the global level. This will include collaborating with existing international partnerships and mechanisms such as the World Water Council, the World Commission on Dams and the Global Water Partnership. UNEP will also work with relevant international financial institutions. This approach will enhance the leadership role of UNEP within the international community in efforts to address environmental aspects of water-related issues.

98. UNEP recognizes the importance of forging partnerships with non-governmental organizations, the scientific community and the private sector through a participatory approach. In its work in this area, UNEP will continue to take into consideration a range of different perspectives, with a view to harnessing long-term, broad-based support on water-related issues.

99. These mechanisms and arrangements will facilitate the implementation and periodic refinement of the UNEP water policy and strategy and also the monitoring of water-related issues. Emphasis will also be placed on the coordination of UNEP water-related activities at the regional level by making maximum use of UNEP outposted offices and regional mechanisms already in place. The role of UNEP in this regard includes fostering and brokering partnerships between Governments and major stakeholders.

100. Within UNEP, the Division of Policy Development and Law will coordinate in-house meetings on water-related policy issues. To help UNEP identify emerging environmental water issues and to provide independent policy advice on a continuous basis, the Executive Director will in due course establish a high-level advisory board for water-related issues.

V. MONITORING AND EVALUATING THE UNEP WATER POLICY AND STRATEGY

101. Regular reviews will be carried out to gauge progress made or needed in the stated objectives under the three main components of assessment, promotion of environmentally sound management and coordination by the Governing Council. Regional, intergovernmental and other forums will facilitate the conduct of continuous and systematic reviews.

102. Other more specific reviews will also be undertaken. The GIWA Steering Group will regularly review progress made or needed. The regional seas conventions, at their coordination meeting in The Hague in July 1999, agreed to keep under review efforts being made to strengthen the linkages between the freshwater, coastal and marine components of their activities. The evaluation and further development of the Global Programme of Action has begun and is expected to result in substantial positive outputs.

103. The status of implementation of the goals and objectives of chapter 18 of Agenda 21 will be kept under review by fostering intergovernmental dialogue. The purpose of this endeavour is to ensure that Governments and other relevant bodies and organizations inspire sound policy discussions and decisions on freshwater issues.

CHAPTER 4

CONCLUSIONS AND RECOMMENDATIONS

4.1 CONCLUSIONS

Conclusion 1: Addressing the poverty-environment nexus is essential to achieving the UNDP mission.

The linkages between poverty reduction, environmental sustainability and progress on achievement of the MDGs have been well established in analyses by UNDP and other major institutions. Poor people depend disproportionately on access to natural resources for their livelihoods, and development and poverty reduction programmes have significant effects on the environment.

UNDP has advocated for consideration of the poverty-environment nexus through conferences, publications and statements from successive administrators. UNDP programme reviews have stressed the value of addressing poverty and environment concerns concurrently and pointed out that poverty-environment linkages move in both directions. Greater attention to climate change adaptation in recent years has contributed significantly to raising awareness and understanding about the importance of addressing the nexus coherently, including its relationship to UNDP's work on preventing and recovering from natural disasters.

Conclusion 2: Strategic planning and advocacy on the poverty-environment nexus are occurring at UNDP, but policy is not yet systematically translated into practice. Conversely, examples of good practice and success at local and regional levels are not being effectively communicated and replicated.

The current strategic plan makes reference to the centrality of environmental preservation for human development and well-being as well as the vulnerability of the poorest countries and peoples to climate change and other environmental factors. However, the emphasis centres primarily on focus areas and performance objectives, with insufficient attention to cross-area coordination. The absence of operational guidance on poverty-environment linkages limits the willingness and ability of country offices to work with government partners to expand this cross-area coordination.

It is evident that the UNDP environment and energy units at all levels are increasingly including 'sustainable livelihood' considerations in their environmental work. However, there is less cross-sectoral recognition from the poverty teams. The difference owes to multiple factors, especially the priorities of partner governments and donors. Country offices have considerable latitude to promote cross-sectoral programmes and projects linking environment and poverty priorities. This has resulted in wide variance across countries and focus areas.

Some country offices have effectively used observational results from projects on the ground to demonstrate benefits and build support for poverty-environment linkages. These have raised awareness among government partners about the importance of addressing poverty-environment linkages and demonstrated their critical role in reaching UNDP's goals. This shows how the ability to monitor progress related to nexus issues can significantly improve outcomes.

Safeguard policies and environmental assessment screening mechanisms have been established by other international organizations, especially the international financing institutions, to help ensure that support for economic development

does not cause excessive and unnecessary harm to the environment or indigenous peoples. Until now UNDP has not established these mechanisms, but they are now under development. The Bureau for Development Policy has drafted amendments to the UNDP Programme and Operations, Policies and Procedures manual establishing environmental screening procedures for projects, and there are plans to consider new environmental safeguards policies. These mechanisms could enhance cross-sectoral coordination for poverty alleviation and environmental protection.

Conclusion 3: UNDP's institutional and financing architecture serves as a barrier to integrated approaches. Particular problems are dependence on external financing and concentration of substantive capacity in headquarters focus area teams, not where it is needed in country offices.

UNDP's practice architecture and operational structure reinforce separation of focus areas, encourage individualistic approaches to specific topics and discourage cross-sector cooperation. Even the one programme explicitly focused on the nexus, the PEI, is separate from the UNDP structure and operates through a parallel administration.

The financial system is segmented, and UNDP approaches country support differently in the poverty area versus the environment area. Most poverty-related funding goes to policy support at country level and comes from UNDP's core budget. In contrast, most environment and energy area support comes through earmarked donor funds and supports specific projects. This dichotomy has major implications for how the two focus areas can enhance cross-sectoral linkages.

UNDP's developing support programmes for climate change adaptation hold promise for breaking down these institutional silos; the issues overlap with regard to responsibilities in UNDP's poverty reduction, environment and sustainable development, crisis prevention and recovery, and democratic governance focus areas.

Conclusion 4: UNDP efforts to integrate poverty alleviation and environmental protection programmes at country level depend on the interest of countries to make this linkage. All governments are committed to both poverty reduction and environmental sustainability. However, evidence suggests that many partner governments continue to believe there are major trade-offs between these goals. Given the wide variation in poverty and environment challenges faced by countries, UNDP can demonstrate how to minimize such trade-offs.

The differences between countries regarding reliance on renewable or extractive natural resources, susceptibility to natural disasters, dependence of the poor on the environment and governmental development priorities means that UNDP's approach to the poverty-environment nexus has to be highly adaptable and attuned to country priorities. Furthermore, the opportunities for identifying win-win situations vary considerably depending on the type of environmental issue. For instance, biodiversity conservation, sustainable livelihoods and provision of clean water provide opportunities for poverty reduction. How seriously a country deals with the nexus depends on the commitment and ability of the country office to address these issues and the technical, administrative and financial support available from the UNDP system. It has been clearly demonstrated that country offices can accomplish better results if they have better guidance, support and sustainable funding to develop capacity and demonstrate positive results nationally and locally.

Country programmes that take account of the links with governance and crisis management help UNDP to achieve its goals more effectively. However, in countries that approach or pass middle-income levels but continue to have a high incidence of poverty and environmental degradation, country offices face reduced budgets

that further limit their ability to address the cross-sectoral issues. Where governments do not prioritize addressing the poverty-environment nexus, this has contributed to reduced commitment by country offices to incorporate poverty-environment linkages into their programming. Conversely, where country offices have a strong commitment, they can better demonstrate the benefits of integrating environmental management and poverty reduction.

Conclusion 5: UNDP is ideally situated to strengthen partnerships within the United Nations system to coordinate action on poverty alleviation and environmental protection.

Cooperation and partnerships are an intrinsic part of the United Nations system at country level through the UNDAF. UNDP plays a key role in managing the resident coordinator system at country level and has the most extensive network of country offices. With its ubiquitous country presence and mandate to support achievement of the MDGs and meet international environmental convention obligations, UNDP is thrust into a prominent position in terms of building United Nations partnerships. In addition to its formal partnership with UNEP on the PEI and other environmental issues, UNDP cooperates with other agencies in the UN-REDD, climate change adaptation programmes, DDC and local donor coordination mechanisms. These collaborations improve understanding of the nexus issues and contribute to results. Yet there are examples of overlap or working at cross purposes, given the separate programmes and inconsistent cooperation among United Nations agencies and donors regarding poverty-environment linkages.

UNDP can help upgrade coordination among United Nations agencies. The UNDAF process in itself can improve cooperation and coordination among the agencies in support of government priorities. More attention to the poverty-environment nexus in UNDP contributions to UNDAFs can enhance its ability to assist governments address nexus issues and improve the overall effectiveness of the United Nations.

4.2 RECOMMENDATIONS

Recommendation 1: UNDP should ensure that practices follow principles. Apart from following policy and advocacy, there is a need to learn from good practices and to replicate successes.

UNDP should build upon its analytical work and successful programmatic experiences to integrate poverty reduction and environmental management in its operations at the country level. UNDP's policy and advocacy work on the importance of the poverty-environment nexus should be more systematically incorporated into its programming.

This will also require identifying good practices and lessons from operations at the headquarters, regional and country levels and analysing success factors that can be scaled up and replicated. An important part of this work will be enhancing knowledge management across the various units, regions and country offices to ensure that good practices and lessons are disseminated across units and regions.

Recommendation 2: The Poverty-Environment Initiative represents good practice and should be scaled up to provide a model of how UNDP does business at the country level. It should also be used as a model for working together with UNEP and other agencies.

UNDP should formalize the largely successful PEI, scaling it up from a stand-alone programme managed primarily as a part of the environment and sustainable development focus area to a cross-sectoral approach that will inform the organization's work across the poverty reduction and environment and sustainable development focus areas, especially at the country level. The PEI model should be utilized to develop effective ways of integrating the concerns of poverty reduction and environmental management in UNDP programming. It should also inform other programmes and initiatives, such as climate change adaptation, that integrate poverty reduction and environmental management.

The PEI approach should also be used as a model for collaboration with other agencies. Lessons from both substantive and organizational cooperation between UNDP and UNEP under the PEI should be analysed and used to inform future collaboration with other members of the United Nations family.

Recommendation 3: UNDP should provide guidelines and create verifiable indicators in order to further integrate poverty reduction and environmental protection into other UNDP operations. It must also invest in developing the capacity of its staff.

UNDP should develop guidelines on how to integrate poverty reduction and environmental management goals into programming at global, regional and country levels. However, such guidelines will only be effective if staff understand the rationale for and importance of such integration and have appropriate incentives to work towards it. Therefore, UNDP must develop the substantive capacities of its staff in the regional bureaux and country offices to analyse poverty-environment linkages and integrate them into programming where appropriate. Furthermore, verifiable indicators should be developed to monitor and evaluate poverty and environment integration in programmes.

Recommendation 4: UNDP must overcome the functional silos that prevent cooperation and integration between focus areas. Analysis of poverty and environment priorities should be incorporated into governance and crisis prevention and recovery, as well as gender support activities, and vice versa.

UNDP should encourage cross-practice cooperation, recognizing that achieving desired results often requires integration and joint programming between focus areas. The design of country programmes should include a systematic analysis to help identify areas where integrating environmental management with the poverty reduction, democratic governance and crisis prevention and recovery focus areas would be important for achieving development results. This analysis should comprise one aspect of UNDP's proposed environmental assessment screening process, and it can be a useful tool when UNDP develops new environmental and social safeguard policies. It should be required that programmes be designed to address the integration in cases where the importance of such linkages has been established.

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME
AND
THE UNITED NATIONS ENVIRONMENT PROGRAMME

This Memorandum of Understanding ("MOU") is entered into by the United Nations Development Programme (hereafter "UNDP") and the United Nations Environment Programme (hereinafter "UNEP"), both subsidiary organs of the United Nations, an intergovernmental organization established by UN Member States. UNDP and UNEP are hereinafter jointly referred to as the "Parties".

WHEREAS UNDP's Strategic Plan 2008-2011, based on General Assembly Resolution 62/208, promotes an effective, efficient and coherent UN, focusing its programmatic contributions towards poverty reduction and the achievement of the Millennium Development Goals/International Agreed Development Goals (MDGs/IADGs), through democratic governance, poverty reduction, crisis prevention and recovery, and environment and sustainable development. UNDP embraces national ownership, capacity development, effective aid management, gender equality and empowerment of women, and south-south cooperation;

WHEREAS UNDP has the capacity to provide a host of administrative, financial and logistical support services at the country level for partner UN agencies;

WHEREAS the management of the Resident Coordinator system is firmly anchored in UNDP, providing enhanced UN coordination at country level under the guidance of the United Nations Development Group (UNDG);

WHEREAS UN General Assembly resolution A/RES/47/194 of 22 December 1992 invited UNDP through its Capacity 21 programme to assist countries develop their national capacities to implement Agenda 21's call for national sustainable development strategies as a follow-up to the UN Conference on Environment and Development. This request was reiterated by the General Assembly at its 19th Special Session in June 1997. In reports of the Commission on Sustainable Development, and in the follow-up to the World Summit on Sustainable Development;

WHEREAS UN General Assembly resolution A/RES/62/208 of 18 December 2007, Triennial Comprehensive Policy Review (TCPR) stresses the importance of country capacity 'to develop and implement national strategies for integrated approaches to sustainable development';

WHEREAS UNDP has adopted mainstreaming environment into development processes as part of its Strategic Plan for 2008 – 2011 and partnered with UNEP in 2007 to establish a *Poverty and Environment Facility*, in addition to continuing joint efforts and programme initiatives and pooled fund management for climate change;

WHEREAS Agenda 21, adopted at the United Nations Conference on Environment and Development in Rio de Janeiro in 1992, and the Johannesburg Plan of Implementation adopted

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at the World Summit on Sustainable Development in 2002, recognized the increasingly vital and complementary role that both organizations have to fulfill in support of sustainable development and endorsed the outcome of the International Environmental Governance process (IEG);

WHEREAS UNEP was endorsed by the General Assembly in 1997 as the leading global environmental authority that sets the global environmental agenda, that promotes the coherent implementation of the environmental dimension of sustainable development within the UN system and that serves as an authoritative advocate for the global environment, the Assembly in 1999 further stressed the need to ensure that capacity-building and technical assistance, in particular with respect to institutional strengthening in developing countries remained an important component of the work of UNEP, within its mandate;

WHEREAS the UNEP Governing Council/Global Ministerial Environment Forum (GC/GMEF) in 2001 and 2002 reconfirmed that UNEP has the mandate and authority to promote the integration of environmental aspects of sustainable development into the work of the UN system, and recommended that a strengthened programme of capacity building be clearly defined in the work of UNEP, inter alia, through the development of an intergovernmental strategic plan for technology support and capacity-building, with a view to ensure that capacity-building and technical assistance, in particular with respect to institutional strengthening in developing countries, remain an important component of UNEP's work;

WHEREAS the UNEP Governing Council adopted the Bali Strategic Plan for Technology Support and Capacity-Building in February 2005 which, amongst other matters, aims at a more coherent, coordinated and effective delivery of environmental capacity-building and technical support at all levels and by all actors, including UNEP, in response to country priorities and needs;

WHEREAS UNEP prepared a Medium-term Strategy 2010-2013, which was welcomed by the UNEP Governing Council/Global Ministerial Environment Forum at its 10th Special Session in February 2008, and which places emphasis on enhancing UNEP's capacity to deliver on the Bali Strategic Plan for Technology Support and Capacity-building; further embracing its role as the environment programme of the United Nations and on enhancing the UNDP-UNEP partnership;

WHEREAS the Parties share similar development objectives to help meet the MDGs and desire to cooperate in areas of mutual concern to enhance the effectiveness of their development efforts along with UN and other partners;

WHEREAS UNDP and UNEP have agreed, utilizing their respective comparative advantages and in line with their respective mandates, to increase their collaboration and joint activities in support of internationally agreed environment and sustainable development goals established by member countries;

WHEREAS UNDP and UNEP signed an MOU on 5 January 2005 which has been successfully implemented and has expired in accordance with its own terms, and this new Memorandum builds on existing collaborative arrangements and lessons learned seeking to further enhance effectiveness and avoid duplication.

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NOW, **THEREFORE**, the Parties agree to cooperate as follows:

Article I
Purpose

1.1 The purpose of this MOU is to provide a framework of cooperation and facilitate collaboration between the Parties, on a non-exclusive basis, to ensure host government access to UN expertise in areas of common interest based on national priorities and development plans and resulting in United Nations Development Assistance Framework (UNDAF) outcomes.

Article II
Areas of Cooperation

2.1 The Parties agree to cooperate in areas of common interest, further to and within each Organization's respective mandate, national priorities and UNDAF outcomes described within each respective country, which may include:

i)   Climate change;
ii)   The Poverty and Environment Initiative and;
iii)   Other environmental endeavors related to the implementation of Agenda 21, the Johannesburg Plan of Implementation (JPOI), the Bali Strategic Plan for Technology Support and Capacity Development, Multilateral Environmental Agreements (MEAs) and other intergovernmental agreements in order to assist countries achieve the MDGs based on their own national priorities and the UNDAF.

2.2 Collaboration between the Parties in these or other areas shall be subject to specific agreement, including, as appropriate, joint projects/programmes, relevant project documents and annual work plans, which shall set out in detail the roles and functions of each of the Parties linking project outputs directly to specific UNDAF outcomes as described in the UNDG CCA/UNDAF guidelines.

2.3 UNDP will collaborate with UNEP and other non-resident agencies to contribute to national development processes including Poverty Reduction Strategies (PRSs), Common Country Assessments (CCAs) and UNDAFs and other UN inter-agency coordination mechanisms at country level as determined by the RC/UN Country Team (UNCT).

Article III
Provision of Administrative Services and Reimbursable Support Service Arrangements

3.1 UNEP may inform UNDP that it wishes to obtain office space and administrative services, including the procurement of goods, equipment and services, and the recruitment of national and international staff and non-staff personnel. If UNDP has at its disposal adequate office space

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and, in its view, the capacity to provide the necessary administrative services, the Parties shall enter into a Country Level MOU to set forth in detail the arrangements related to UNDP's support for UNEP in each specific country, including reference to the applicable UNEP basic or other agreement covering UNEP activities in the country. In cases where office space is provided to UNDP rent free, UNDP will provide suitable office space to UNEP on a rent-free basis when possible. The equipment and furnishings to be provided by UNDP shall be specified in the respective Country Level MOU. UNDP's RR shall have full authority for the overall physical management of the premises, including the UNEP office space, and UNEP national and international staff and non-staff personnel shall at all times be obliged to follow instructions given by the RR which relate to health, safety, and security.

3.2 In the event that UNEP wishes to employ the services of national and international staff and non-staff personnel in any such country referred to in 3.1, UNEP may request UNDP to recruit national and international staff and non-staff personnel using UNDP regulations, rules, policies, and procedures. UNEP will provide an authorization for the establishment of local posts as required. Such national and international staff and non-staff personnel shall be recruited and contracted on UNDP letters of appointment with service limited to UNEP or under a contract modality for non-staff personnel, as applicable. Such national and international staff and non-staff personnel shall be subject to all applicable UNDP regulations, rules, policies and procedures.

3.3 Contractual claims, requests for administrative review, rebuttals, appeals and disciplinary proceedings involving national and international staff and non-staff personnel contracted by UNDP as described above, will be handled by UNDP in accordance with UNDP regulations, rules, policies and procedures. UNEP will cooperate and provide all necessary inputs. The direct costs of all legal proceedings undertaken by UNDP will be reimbursed by UNEP.

3.4 UNEP staff and non-staff personnel will report administratively to the UNDP RR in each Country Office (CO) and to the relevant UNEP Regional Director programmatically. For programming purposes, UNEP will have the opportunity to attend specific UNCT or other meetings when environmental programme outputs are being designed, discussed, monitored or reported or to participate on UN thematic groups or other inter-agency working groups. The RC will also invite the UNEP Regional Director to participate on the UNCT as appropriate. In cases where there is an accredited UNEP representative in country, all UNEP personnel will usually be issued appointments/contracts directly by UNEP and report administratively and programmatically to the UNEP Representative, who will also represent UNEP in the UNCT.

3.5 Recovery of costs incurred by UNDP for administrative and support services provided to UNEP at the country level shall be in compliance with the applicable UNDP Executive Board decisions relating to cost recovery.

3.6 Four different cost reimbursement arrangements and fee systems will regulate the recovery of costs incurred by UNDP COs and central units in connection with service provision to UNEP. Such arrangements are as follows:

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a. For locally-provided services that due to their nature are provided in standard or uniform fashion across the network of UNDP COs, the Universal Price List (UPL) shall regulate the recovery of the UNDP CO's costs. The UPL is updated on a yearly basis and is subject to methodological reviews to ensure its effectiveness. The outcome of such reviews might entail price differentials which shall be communicated to UNEP promptly once clarified.

b. The cost recovery fee for locally-provided services that due to their nature cannot be standardized across different UNDP COs, or services that vary in scope each time they are provided and that are not included in the UPL (e.g. IT support services, airport pickup, pouch administration, programmatic services), will be specified locally using either prevailing local market prices and best faith workload estimates and/or cost of input. To the extent possible, these services should be managed through the Common Service Account (CSA), based on local arrangements, similar to arrangements for premises, utilities, security, etc. All ad-hoc/other services, that are neither part of the UPL nor part of the CSA, will be specified locally in the country level MOU and agreed between the UNDP RR and UNEP, as applicable, prior to the provision of services.

c. For services that are provided by units other than UNDP COs, the cost recovery arrangements will be in line with existing mechanisms in use by UNDP. These include the established fees in use to recover the Global Payroll Support costs provided by UNDP Global Payroll Support unit as well as the appropriate portion of the indirect costs provided by the Office of Finance and Administration, Legal Support Office, Office of Information Systems and Technology, and Office of Human Resources providing oversight, monitoring, reporting and policy advice where applicable.

d. For other ad-hoc services provided by UNDP at UNEP's request and detailed in a separate Service Level Agreement (SLA) to be concluded for each service line, the general principle of full cost reimbursement will apply.

3.7 The UNEP Regional Director will have the opportunity to discuss with the UNDP RR the quality of services and efficiency of the UNDP CO in providing services to UNEP. Any issues arising in connection with the quality and provision of services shall, if possible, be resolved at a local level. Should no solution be found, a joint report expressing the views of both organizations shall be submitted to the respective Headquarters for further discussion and resolution.

Article IV
Programme Implementation

4.1 UNDP and UNEP will continue to work together at global, regional and sub-regional levels while strengthening their country-level environmental work in accordance with their respective roles, mandates and comparative advantages. For policy and normative work concerning the implementation of MEAs, and in areas where UNEP has received project and programme mandates and/or approval of multilateral funds, UNEP will work cooperatively with UNDP.

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4.2 In order to implement programmatic activities envisioned, the Parties shall conclude joint project document in line with the UNDG Guidance Note on Joint Programming, which shall specify the costs or expenses relating to the activity and how they are to be borne by the Parties. In cases where a joint project document is signed, it shall also include a provision incorporating by reference any funding agreement, which is applicable to the joint project document. In the event of contributions from UNEP to UNDP, UNDP shall enter into contribution agreements in accordance with UNDP regulations, rules, policies and procedures.

4.3 All activities will be carried out on the basis of cooperation agreements such as joint project documents/annual work plans agreed between UNDP and UNEP and the concerned governments and partners and in accordance with the applicable UNDP regulations, rules, policies and procedures.

4.4 UNEP results, in line with UNDAF outcomes and along with the other UN agencies operating in country, will be reported on a yearly basis as part of the UN Annual Report. Substantive areas of cooperation and the methods through which collaborative initiatives, strategies, and support may be realized between the parties will be elaborated through a joint working group composed of representatives designated by the respective Parties. The UNDP Bureau for Development Policy's (BDP)/Energy and Environment Group (EEG) and the UNEP Division for Regional Cooperation will be the focal points and responsible for monitoring this MOU. They will also facilitate continued and improved cooperation between UNDP and UNEP. At the country level, the UNDP Resident Representatives (RR) and the UNEP Regional Director will be the focal points. Modifications to programming will be adjusted based on host government and UNCT guidance for the subsequent year.

4.5 Neither Party shall be an agent or representative. Neither Party shall enter into any contract or commitment on behalf of the other Party and shall be solely responsible for making all payments to and on behalf of its own account, as provided under this MOU and under joint project documents.

Article V
Consultation and Exchange of Information

5.1 Consultation and exchange of information and documents under this Article shall be without prejudice to arrangements which may be required to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this MOU and of any agreements signed by the Parties within the scope of this collaboration.

5.2 The Parties shall collaborate fully with each other, and with national authorities and partners concerned in the execution of activities with a view to the realization of the results described in MOU such as joint project documents/annual work plans. The Parties shall consult with each other on a regular basis on matters which might affect the successful completion of any activities. The Parties shall review the progress of activities being carried out and plan future

activities as deemed appropriate considering the national priorities and UNDAF outcomes. The RR will report such progress to the UNCT on a regular basis.

Article VI
Visibility

6.1 The Parties agree to acknowledge the role and contribution of each Organization in all public information documentation relating to instances of such MOU and use each Organization's name and emblem in documentation related to the cooperation in accordance with the current policies of each Organization and with UNDG policies.

Article VII
Term, Termination, Amendment

7.1 This MOU shall enter into effect upon its signature by both Parties and shall remain valid until terminated. Either Party may terminate this MOU by giving not less than sixty days notice in writing to the other Party. Such termination shall become effective on the date specified in the termination notice.

7.2 In the event of termination of the MOU, any project documents or contribution agreements concluded pursuant to this MOU may also be terminated in accordance with the termination provisions. In such cases, the Parties shall take the necessary steps to ensure that the activities carried out under the MOU or joint project documents are brought to a prompt and orderly conclusion in accordance with respective regulations, rules, policies and procedures of the Parties, as applicable.

7.3 This MOU may be amended only by mutual written agreement of the Parties.

7.4 This MOU shall be reviewed on an annual basis. The Parties may, by exchange of letters, amend any of the provisions of this MOU or enter into supplementary arrangements designed to extend or reduce the scope of the present MOU.

Article VIII
Notices and Addresses

8.1 Any notice or request required or permitted to be given or made under this MOU shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, certified mail, or overnight courier, to the party to which it is required to be given or made at the address specified below or such other address as shall be hereafter notified.

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For UNDP:

Assistant Secretary-General and Director
Bureau for Development Policy
United Nations Development Programme
304 East 45th Street
New York, New York 10017, USA

For UNEP:

Assistant Secretary-General and Officer-in-Charge
Division of Regional Cooperation
United Nations Environment Programme
PO Box 30030
0100 Nairobi, Kenya

Article IX
Miscellaneous

9.1 This MOU and any related agreements and project document comprise the complete understanding of the Parties in respect of the subject matter in this MOU and supersede all prior agreements relating to the same subject matter. Any dispute over the interpretation or application of any provision herein contained shall be settled through negotiations or by such other means as the Parties shall mutually agree. Any liability arising out of UNDP's performance of functions set forth in this MOU shall be the responsibility of UNEP which shall hold harmless and indemnify UNDP against all claims arising there from except for UNDP's acts arising from gross negligence or willful misconduct. Failure by either Party to enforce a provision of this MOU shall not constitute a waiver of any other provision of this MOU. The invalidity or unenforceability of any provision of this MOU shall not affect the validity or enforceability of any other provision of the MOU.

Article X
Entry into Force

10.1 This MOU may be signed in counterparts, each of which shall be deemed an original and both of which duly executed shall constitute one entire document, and shall enter into force and effect on the date ("Effective Date") in which it is duly signed by both parties.

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IN WITNESS WHEREOF, the duly authorized representatives of the Parties affix their signatures below.

FOR UNDP:

Kemal Dervis
Administrator
Date:

FOR UNEP:

Achim Steiner
Executive Director
Date: 15 - 12 - 2008

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SG: "Our job is to change the UN -and, through it, the world"

Posted: Tuesday, 2 September 2008, Turin | Author: EOSG

In the evening of Friday, 29 August, the Secretary-General spoke to senior officials at the retreat in Turin, Italy, about how they can lead in transforming the Organization. Below is a transcript of his remarks.

"This evening, if I may, I would like to return to the theme with which we began today's discussions. We spoke about our vision for the coming year. We discussed how to make our UN more modern-faster, more flexible and responsive.

We agreed that our focus must be on results-on action, delivery and effectiveness. We also agreed, above all, that the only way to change the culture of the UN is through teamwork.

I invited you to reflect on how well our team is doing. I wanted us to be frank and open with one another, even blunt, to speak from the heart.

As we enjoy this excellent meal, let us sit back, then, and take stock.

We have many reasons to be satisfied with our progress. But let me speak this evening about what has most frustrated me over the past year, and continues to frustrate me today.

We all know the UN is a huge bureaucracy. Coming here, 20 months ago, that prospect did not bother me. After all, I was Korean foreign minister. I spent many years in large organizations.

Trust me. I knew how to play the game.

Then I arrived in New York. There is bureaucracy, I discovered . and then there is the UN.

We must admit this. We must acknowledge how resistant we are to change. It cripples us in our most important job-to function as a team

As a manager, as a leader, what I have always valued most is teamwork. In choosing my senior advisers, I have always cared less about a person's intellectual attainments than his or her ability to work well with others. I always ask myself: how will this person help promote teamwork, the sense of working together as one.

Here at the UN, unfortunately, I see people too often putting their own interests first. I see too many turf fights, too much intramural wrangling, too much protectiveness of the status quo.

People forget. It is precisely the status quo, "the way things are done"-that we are trying to change. Why should we be so afraid to change?

I made these points last year, forcefully. But I see little evidence of a change in mindset. As a team, we are still too process-oriented. We get too bogged down in internal or bureaucratic technicalities. We waste incredible amounts of time on largely meaningless matters.

People forget. The clock is ticking. We are one-third the way through our mandate.

People forget. We are here to act. We are here to deliver results. We are agents of change.

Our job is to change the UN-and, through it, the world.

This is the big picture. I am frustrated by our failure, so often, to see it.

Department heads squabble among themselves over posts and budgets and bureaucratic prerogatives, as though as they somehow owned them. But our departments, agencies and programmes are not personal fiefdoms.

We are just passing through. We are temporary caretakers.

Always, we must keep the larger interests of the organization at the forefront of our minds. We must work together and compromise to reach solutions that are in the best interests of the UN and the global public good.

I am frustrated even more by our slowness. By the micro-managing of our Secretariat. By business as usual.

We often complain that Member States micro-manage us. But I have found over the past 20 months that it is more us, rather than Member States, who are the micro-managers.

As I said this morning, we must change our UN culture. We must move faster. Simplify. Deregulate. De-centralize. Break down barriers and create more mobility within the organization, so that we can draw more fully on the talents of our staff.

I mention staff mobility, because it illustrates the problem. How often do we hear the lament: "O, if only we had more resources. If only we had more people or more money."

Well, we do not have more posts and more money. Ten to 20 years from now, we will still be complaining about shortages of resources. We must do better with what we have. Key to that is better use of our staff, with better training. And the best training is mobility and breadth of experience.

That is why I have turned over almost 100 percent of my staff on the 38th floor. We hired new people from inside the UN and from outside, from other departments at headquarters and from faraway field postings. What we might have lost in institutional memory we have more than made up for in new energy.

And in the end, that is what counts. Energy. Dynamism-the dynamism that drives change. If water does not flow, what happens? It grows stagnant. I want continuous change, dynamism, creativity.

I tried to lead by example. Nobody followed.

That is why I have now challenged the new USGs for Management and Human Resources to come up with a plan.

Soon, we will be launching a new pilot program in inter-departmental mobility. You will hear more about it from Angela Kane and Catherine Pollard.

But bear in mind this revealing statistic, which sums up our problem: of some 900 UN employees surveyed for this new initiative, 720 have been on the job more than five years-and many considerably longer.

The UN has tried to change before. Guidelines for mobility were written in the 1970s. Our current policies were launched in 2002. But nothing

has happened. My challenge to you-let me be very clear-is to deal with this all-important issue, decisively.

In the past, I have joked-or half-joked-about resorting to "shock therapy." Perhaps we should "mobilize" by fiat and simply direct DPA and DPKO to simply swap 20 percent of their staff.

So, in our deliberations, I ask you: how are you doing on mobility? How can you do better, so that a year from now we will have accomplished what we need to accomplish.

I urge you to ask the same tough questions about other vital issues, such as gender equality and budget management.

Above all, I invite you to ask: am I doing my best for the team?

Do not mistake me. I value independence. Initiative too. But we must remember that independence is not absolute. We are part of one organization, one UN. Independence does not free us from the need for consultation and collaboration and teamwork.

There are no exceptions, even in offices intended to be the most independent. Those of us who act otherwise need a personal reality check. Ego may be getting in our way.

When we work for the UN-when you work for me-please leave your ego at the door.

Today's most vibrant enterprises are networks. Let us build networks within the UN to break down bureaucracy.

I made this point last year, and I do so again. In our work together, I want you to cross lines. I want you to consult colleagues beyond the usual sphere, connect throughout our organization. Instead of commissioning subordinates to write long and dense memos-scarcely ever read-pick up the phone. Come to my office, or the residence on weekends. Sit down with me.

Go see colleagues and sit down with them. Amazing work gets done when two senior people sit down for five minutes and decide something.

Our work is urgent. Let us infuse it with a sense of speed and urgency - the passion of accomplishment. Let us not confuse our inner world-the physical halls of this UN-with the real world. Let us always put real-world results ahead of bureaucratic UN process.

When you are trying to do something that is tough, when you are trying to change the status quo, people will resist. Your subordinates will come to you and whisper in your ear.

"Boss," they will say. "Your leadership will be undermined. We will lose power within the organization. Resources will be taken away by So and So."

Don't listen to them. They are thinking of their own position or benefit, not the larger interest of the UN, or what we are trying to accomplish as a team.

This is what I told the opposing parties in Kenya. Compromise. Give way to one another. This is the way to make friends, gain good will and trust. Whether it is two months or two years, you will be compensated.

Remember: often as not, losing can be winning, and giving is gaining. This I know. It is what brought me to become Secretary-General. It is my

life philosophy.

When I leave this place, I will be remembered for what I managed to accomplish. How many countries I visited, how many presidents I met, the fine words I uttered-none of that will matter.

So it is for you. In the end, we will all be judged not only by what we do in our own departments, but by the successes of the UN as a whole.

We left Torino last year determined to build a Stronger UN for a Better World. This year, we must take stock of how we have done, and where we can improve.

One UN is not a slogan. It is a management imperative. It is the first principle of effectiveness. It is the thing I will watch most closely.

We must all be on notice: working together shall be the litmus test of your success in heading our departments, agencies and programs.

I know you agree. That's why you are here-because, in your previous lives, you demanded excellence and got results. Now it is time for us to bring your abilities fully to bear - together - on the world's problems.

Thank you."

http://iseek.un.org/webpgdept1476_78.asp

http://iseek.un.org/m210.asp?dept=1496

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