

Independent Evaluation Division
Office of Evaluation and Internal Oversight

INDEPENDENT THEMATIC EVALUATION
OF THE
UNIDO MEDIUM-TERM PROGRAMME FRAMEWORK
(MTPF) 2018-2021
VOLUME 1



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

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ABBREVIATIONS AND ACRONYMS

Abbreviation	Meaning
AGR	Department of Agri-business (UNIDO)
CP	Country Programme (UNIDO)
EB	Executive Board (UNIDO)
EIO	Office of Evaluation and Internal Oversight (UNIDO)
EU	European Union
FOs	Field Offices
GEF	Global Environment Facility
GEIPP	Global Eco-Industrial Park Programme
GQSP	Global Quality and Standard Programme
HQ	Headquarters
IED	Independent Evaluation Division (UNIDO)
IFIs	International Financial Institutions
IRPF	Integrated results and performance framework
ISID	Inclusive and Sustainable Industrial Development
LDCs	Least Developing Countries
LFA	Logical Framework Approach
MD	Managing Director
MICs	Middle-Income Countries
OECD	Organisation for Economic Cooperation and Development
PCP	Programme for Country Partnership (UNIDO)
PSM	Programmatic services modules
RBM	Results based management
ROTC	Resource Optimization for Technical Cooperation
QCPR	Quadrennial comprehensive policy review of operational activities
SECO	State Secretariat for Economic Affairs (Switzerland)
SPQ	Office of Strategic Planning, Coordination and Quality Monitoring (UNIDO)
TC	Technical Cooperation
TOC	Theory of Change
TOR	Terms of Reference
UN	United Nations
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
UR	UNIDO Representative

GLOSSARY OF EVALUATION-RELATED TERMS

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Lessons learned	Generalizations based on evaluation experiences that abstract from the specific circumstances to broader situations.
MTPF	Medium-term Programme Framework; UNIDO's most important strategic planning instrument
IRPF	Integrated Results and Performance Framework (IRPF); corporate long-term results framework; selected set of indicators regarding (a) the organization's contribution to development results and (b) organizational performance
Outcome	The likely or achieved (short-term and/or medium-term) effects of an intervention's outputs.
Outputs	The products, capital goods and services, which result from an intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.
Relevance	The extent to which the objectives of an intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed.
Strategic planning	It is the process by which an organization sets its priorities, including on allocation and movement of resources to achieve those priorities. Priorities can be thematic (WHAT and WHY), geographic (WHERE), implementation modalities and partnerships (HOW and with WHOM) or on the use of human and financial resources (HOW).
Strategic change	Major shift in an organization's priorities, resources, capabilities and service to its constituents and stakeholders.
Strategic management	Strategic management is the set of commitments, decisions, and actions taken by an organization to achieve the objectives and priorities determined in consultation with its stakeholders. The process involving studying both internal and external environments with a view to finding a match between what an organization is expected to and what it can realistically deliver.
Strategic decisions	Decisions that have major implications for organizational performance, success and often its very continuance.

EXECUTIVE SUMMARY

Evaluation purpose. The purpose of this independent evaluation was to (a) strengthen UNIDO's accountability, strategic alignment, and results-based management, (b) feed to the implementation of the next Medium-term Programme Framework (MTPF) 2022-2025, and (c) support organizational learning overall. The primary users of the evaluation are UNIDO staff involved in the preparation and use of the MTPF, the UNIDO Executive Board, Senior Management, and the Member States. This evaluation is a forward-looking exercise as it focuses on analysis and recommendations to enhance the implementation of the new MTPF 2022-2025.

Evaluation objectives. The objectives of this evaluation were to (a) assess the MTPF 2018-2021 in terms of design, implementation, and results achievement, (b) assess the design of MTPF 2022-2025 and the process of developing MTPFs, (c) identify factors that hinder or favour the results achievement of the MTPF 2018-2021, and (d) provide recommendations for the design, review, and implementation of future MTPFs.

Evaluation scope. This evaluation focused on the period between January 2017 and December 2021. It encompassed the MTPF 2018-2021 as well as the Integrated Results and Performance Framework (IRPF) operationalization. As the MTPF 2022-2025 had already been formulated before the initiation of this evaluation, the evaluation sought to assess the design and formulation of the new MTPF in so far as it can offer lessons for future frameworks. While the evaluation examined linkages between MTPF and other key policy and strategic level documents and initiatives such as the Programme and Budget (P&B), it did not cover the project level. It also did not assess the performance of UNIDO in terms of achieving development results for the period 2018-2021.

Evaluation methodology. This evaluation followed a mixed-methods, inclusive and participatory approach with adequate triangulation and counterfactuals to arrive at credible, reliable, and unbiased findings as best as possible. During the inception phase, on the basis of desk review and stakeholder consultations, the evaluation team developed and validated a theory of strategic management at UNIDO, which along with evaluation matrix, revised evaluation questions, stakeholder mapping and data collection tools guided subsequent data collection. Data collection from various sources and methods was undertaken concurrently. It involved documentary evidence, virtual consultations by way of key informant interviews (KIIs) and focus group discussions (FGDs), online surveys, archival sources and other data as available. Qualitative and quantitative analytical techniques were employed. Qualitative analysis provided illustrative examples. Quantitative analysis was used with the survey and archival data. To ensure the rigor of the analysis, each member of the evaluation team drafted her/his inputs on a number of agreed topics independently and shared drafts to check agreement or disagreement. Based on these analyses, the evaluation team drafted the evaluation report, which was shared with key stakeholders for their validation of factual errors and comments prior to its finalization.

Evaluation limitations. Due to the global COVID-19 pandemic, the evaluation was conducted in line with the corresponding UNIDO COVID guidance and rules. Given the circumstances and travel limitations, the evaluation was conducted entirely as a remote exercise, with the risk of affecting the richness of the face-to-face interaction between the evaluators and the informants. However, this risk was mitigated without affecting the quality of the evaluation process and its results.

KEY FINDINGS

Purpose of the MTPF: The MTPF is multifunctional and serves different purposes. The MTPF 2018-21 provided a vision and mission to UNIDO staff and stakeholders. It also provided some strategic guidance, helped to advance results-based management and was partly useful as a communication tool. However, the MTPF 2018-21 did not lead to significant shifts of UNIDO's strategic direction or to an increase in resources. More generally, the purpose of the MTPF is not clearly defined and different stakeholders have different expectations vis-à-vis the MTPF (summary finding 1).

RBM and alignment of strategic management tools: MTPF, IRPF and P&B are the troika of tools that provide the foundation for UNIDO's RBM architecture. These tools have helped establish a clearer results chain between UNIDO's work and its expected development results at global and country level, and its organizational performance. There is a strong sense that UNIDO is moving in the right direction in terms of managing for results. However, there is significant scope for improvement, especially in terms of aligning human and financial resources with the Organization's strategic results and establishing an integrated system for planning, managing, measuring, and reporting on results (summary finding 2).

Role of Member States: While the MTPF is generally appreciated by Member States and credited for broadly reflecting Member State priorities related to the Agenda 2030, it is not considered a key strategic document for them. In fact, it is seen more as an internal UNIDO Secretariat document and an outreach tool. The contribution of Member States in shaping the MTPF is very limited and does not provide strategic guidance to UNIDO, unlike the Lima and Abu Dhabi declarations (summary finding 3).

Overall architecture, governance and reform policies: Many building blocks for an institutional architecture to implement the MTPF have been put together in past few years. They address key dimensions of the implementation of the MTPF such as results management and monitoring, results based budgeting, accountability, quality assurance, risk management, and others. The enforcement of this massive reform package to implement the MTPF is a challenge (summary finding 4).

Integration of functions and scale-up of impact: There are several approaches demonstrating efforts to advance the integration of functions and the scaling-up of impact and to some extent the MTPF 2018-21 has contributed to these efforts. However, the Organization faces several challenges in accelerating integration of functions and scaling-up of impact, in particular the rather fragmented project approach which is partly driven by the priorities of funding organisations (summary finding 5).

Results-oriented organizational culture: An increased attention to results-orientation in UNIDO's organizational culture is evident. MTPF has started to be embedded in the organization's processes through policy reforms and pilot initiatives. Positive changes in terms of awareness, attitude, and behaviour of UNIDO staff and management were also reported. However, these changes are yet to get deeply embedded into the culture. The search for funding is still seen as a main feature of UNIDO's culture. There is a risk that a "compliance culture" is gaining ground instead of a "results culture" (summary finding 6).

Accountability and ownership: The sense of ownership and accountability to implement the MTPF 2018-2021 was low at all levels within UNIDO, from the Senior Management, mid-management to staff in the Headquarters and field. This sense has increased recently thanks to several changes that connect the MTPF, IRPF, P&B, department annual work plans to individual staff work plans; the participatory approach

in operationalizing the IRPF and in developing the Results Based Budgeting (RBB); and the informal network of individual staffs who are committed to Results Based Management (RBM) agenda. However institutionalization and operationalization of accountability mechanism are still needed (summary finding 7).

Financial and human resources: MTPFs are linked to financial and human resources via the Programme and Budget. The P&B 2022-23, which is results-based, attempted to make this linkage more explicit. Despite some notable progress, major changes in human and financial resources allocation across UNIDO were not yet visible. Further, most stakeholders were unclear on the criteria for how staff and financial resources are allocated and prioritized, and felt a disconnect between results expressed in MTPFs and resources allocation decisions. To a large extent, the MTPF reflected the current Organization rather than a vision of a future UNIDO (summary finding 8).

Monitoring and reporting: The integrated results and performance framework is a major conceptual improvement in terms of results monitoring and reporting. The IRPF and the Annual Report 2020 are considered good accountability tools that are being fine-tuned, improved and implemented. There are still major challenges for UNIDO to monitor and report on performance and results (summary finding 9).

Consultation process of the new MTPF 2022-2025: While the consultation process for the new MTPF 2022-25 was an improvement compared to the previous process for the MTPF 2018-21, the consultation process was still not adequate for a strategic document like the MTPF (summary finding 10).

Role of Field Offices in implementing the MTPF and alignment of MTPF with UN reform: Both MTPFs under review recognize the importance of field offices for the implementation of the MTPF and for ensuring collaboration with the UN system. Also, over the past few years, some efforts were made to strengthen the field office network and to improve collaboration with the UN system. However, the field office network remains rather weak and the involvement of UNIDO field offices in designing and implementing the MTPFs is limited (summary finding 11).

CONCLUSIONS

Design and formulation of the MTPF 2018-2021 and MTPF 2022-2025

The MTPF (including its theory of change), IRPF and P&B are the troika of strategic management tools that together constitute the programme design of UNIDO. These tools have helped establish an improved results chain between UNIDO's work and its expected development results at global and country level, and to its organizational performance.

The MTPF and its theory of change provide coherent vision and mission for UNIDO at a general level. The thematic priorities are valid and are largely consistent with Member State priorities related to the Agenda 2020. At a more day-to-day operational level, the guidance provided by the MTPF and its theory of change is rather generic and of limited operational use with regard to the selection of approaches to achieve the thematic priorities. The Programme and Budget 2022-23 is more useful and realistic in this regard. None of the documents (MTPF, IRPF and P&B) provides a comprehensive logic-model overview with clearly delineated objectives, outcomes, indicators, data sources and collection methods. Therefore, there is a need to better align the different instruments and to establish a single comprehensive logic-model. Moreover, there is also a scope to simplify and shorten the MTPF.

While the formulation process for the new MTPF 2022-25 was an improvement compared to the previous process for the MTPF 2018-21, the consultation process with UNIDO staff, UNIDO field office, Member States and other stakeholders was still not adequate for a strategic document like the MTPF.

Implementation of the MTPF 2018-2021

Member States make limited use of the MTPF as a planning or monitoring tool. The Programme & Budgets are much more important for Member States. As such, the MTPF is not of high strategic importance to Member States and regarded as a UNIDO internal document.

The use of the MTPF among UNIDO staff in the daily work varies a lot. While some try to align their work, others are largely ignorant of the MTPF. While the sense of ownership and accountability to implement the MTPF 2018-2021 was initially low at all levels within UNIDO, this sense has increased recently. Yet there is a lot to be done to reach the desired ownership and accountability to implement the MTPF.

The IRPF and the Annual Report 2020 are considered potentially good accountability tools that are being fine-tuned, improved and implemented. Yet there are still major challenges for UNIDO to monitor and report on performance and results.

Both MTPFs under review recognize the importance of field offices for the implementation of the MTPF and for ensuring collaboration with the UN System. However, the involvement of UNIDO field offices in implementing the MTPFs is limited.

Results of the MTPF 2018-2021

The MTPF had several effects on the organisation. It contributed to a reform agenda addressing dimensions like results-based management, budgeting, accountability, quality assurance, risk management, monitoring and evaluation, and others. But the MTPF was not the only factor contributing to the reform agenda. Particularly visible are the MTPF's effects on results-based management of the Organization. Positive changes in terms of RBM awareness, attitude, and behaviour of UNIDO staff and management are also evident. In other areas of the Organization, the effects are more limited until now. While the MTPF 2018-21 had to some extent contributed to efforts to integrate functions and scale-up impact, the Organization still has a rather fragmented project approach driven by the availability of funding. Also, major changes in human and financial resource mobilization and allocation across UNIDO are not yet visible. While some efforts were made to strengthen the field office network, it remains rather weak.

Most importantly, while there are several changes at the organisational level, the MTPF 2018-21 did not have a major impact at the strategic level. The MTPF did not lead to significant shifts of UNIDO's strategic direction. As such, the MTPF is much more a "mirror" of the Organization reflecting what UNIDO has already been doing and less as a "telescope" or road-map showing where UNIDO is going in future.

RECOMMENDATIONS

Implementation of MTPF 2022-2025

- 1. Enhance ownership, responsibilities and accountability to implement the MTPF 2022-2025:** UNIDO should increase its efforts to build an organizational culture focused on results. Senior management should lead the implementation of the MTPF

and create the necessary awareness, ownership, and accountability among staff. Additional guidance on cascading or embedding the MTPF into individual staff performance appraisals should be developed. Managers at all levels should be held responsible for delivering results from the P&B and MTPF. Field offices' role in implementing the MTPF should be enhanced by including and engaging substantively with field staff in different committees and task-forces in house.

2. **Guidance and tools to implement the MTPF 2022-2025:** The implementation of the MTPF is supported by many policies, rules and tools. The overall architecture is in place (e.g. Accountability Framework, Monitoring and Reporting Policy, Managing for Results Guide). Now the focus should be on implementation and operationalization of all elements. Moreover, UNIDO should further align the MTPF, IRPF and the P&B by establishing a single comprehensive logic-model. For that, it should prepare a single, crisp and concise *guidance document* to facilitate the implementation of the MTPF 2022-2025.
3. **Monitoring, reporting and evaluation of the MTPF 2022-2025:** UNIDO should improve the corporate monitoring and reporting, especially the quality of monitoring and data collection to increase the credibility of the MTPF. Data collection and the quality of data for the reporting on the implementation of the MTPF is a major challenge. Staff requires support and capacity building in this regard. The MTPF should be systematically reviewed and/or updated at mid-term or evaluated 18 months before the start of a new MTPF, i.e. the next review/evaluation should be conducted in 2024 (to be completed mid-2024).

Future MTPFs

4. **Purpose of the MTPF:** UNIDO should clearly define the purpose of the MTPF and consider placing future MTPFs at the heart of its strategic management process. Rather than providing a generic framework for the P&B process (like an ad-on), the MTPF should become the central strategic steering instrument and road-map for the Organization while the P&B would become the biennial operational arm for the implementation of the MTPF.
5. **Buy-in and guidance by Member States:** UNIDO should further incentivize Member States to buy in and provide substantive guidance to the development of MTPF. Member States approval of the P&Bs should be an explicit endorsement of the MTPF as the road map for the organization. More broadly, Member States should engage in a stronger dialogue with the UNIDO Secretariat on the strategic orientation of UNIDO and debate the MTPF in a more meaningful manner.
6. **Design process of future MTPFs:** This process should be carried out on the basis of more participative strategic planning processes, on the basis of evidence from documented reviews, reports and evaluations, and need to be undertaken over a longer period (of at least one year) to provide adequate opportunities to reflect internally, engage with Member States, and other UN agencies, key donors and UNIDO staff, including in field offices, to provide inputs into the planning process. Consultation with industry representatives should also be considered.

1. Introduction

Background. Following a decision of the UNIDO General Conference GC.2/INF.4 in 1987, UNIDO has used medium-term programme frameworks (MTPFs) for organizational-wide strategic planning. As ‘the principal policy directive of UNIDO’, this tool is also used to guide and ensure alignment of UNIDO’s work across various organizational levels. The recently concluding 2018-2021 MTPF envisioned the Organization to contribute to “the eradication of poverty through inclusive and sustainable industrial development” as per the 2013 Lima Declaration (GC.15/Res.1). The 2019 Abu Dhabi declaration reaffirmed this goal and sought to more closely link the Organization’s work building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation to the Sustainable Development Goals (SDG), in particular SDG9. MTPFs, linked to the UNIDO’s Integrated Results and Performance Framework (IRPF), which sets out metrics for the intended results of the organization in the next years, and biennial Programme and Budgets (P&B), seek to contribute to this larger vision for the Organization.

The evaluation. As the 2018-2021 MTPF cycle ended in December 2021, an independent evaluation was included in the 2021 Evaluation Work Plan of the Office of Evaluation and Internal Oversight, and approved by the UNIDO Executive Board. Following internal consultations with UNIDO management, in early 2021, the preparation of the MTPF 2022-2025 was underway to be submitted to the 49th Session of the Industrial Development Board (IDB) in July 2021. On this basis, it was decided to postpone the evaluation to late 2021, and to include the new MTPF design and process in its scope.

2. The Medium-Term Programme Framework (MTPF)

Medium-Term Programme Framework 2018-21

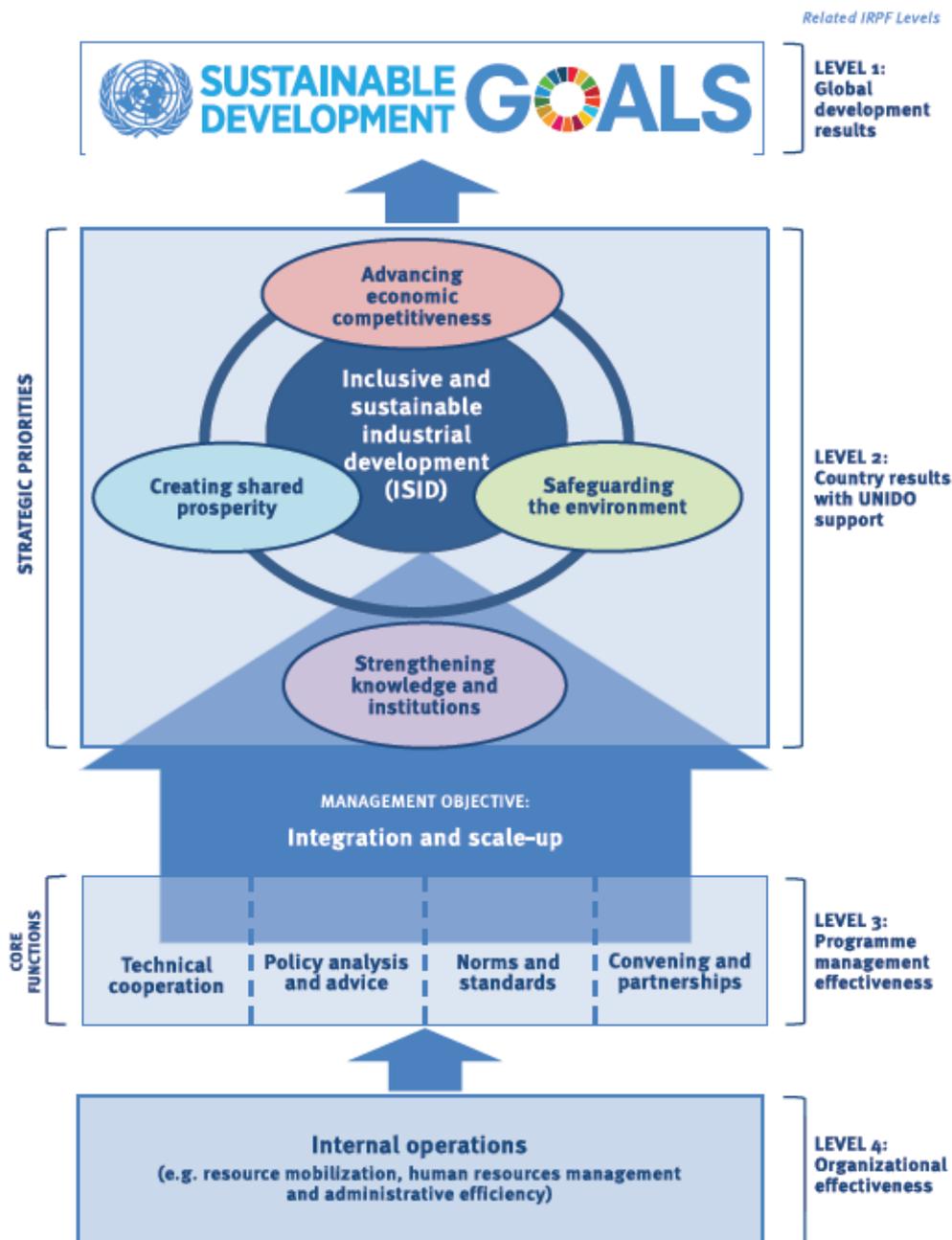
In May 2015, the MTPF 2016-2019 introduced the integrated results and performance framework (IRPF) as a tool to help UNIDO manage for results at corporate level. The IRPF links UNIDO’s expected development results at global and country level and to its performance at programme and organizational level. However, the IRPF and its indicators presented a challenge on its application and operationalization. Eventually it was acknowledged that it was necessary to revise the set of indicators in the IRPF. Considering this challenge and the need to align the MTPF with the quadrennial comprehensive policy review of operational activities for development of the United Nations system, in November 2016, the Industrial Development Board (IDB) called for UNIDO to submit at its forty-fifth session in May 2017 an updated medium-term programme framework for the period 2018-2021, including an updated IRPF with baseline and targets. The IDB called for regularly reviewing and submitting an updated MTPF at the end of each biennium for ensuring that it remained a useful and flexible tool for the strategic planning of the Organization’s programmes with a four-year horizon, complementing the biennial programme and budgets.¹

Subsequently the MTPF 2016-2019 planning cycle required an extension to the biennium 2020-2021. In May 2017, the MTPF 2016-2019 was updated into the MTPF 2018-2021, emphasizing the importance for the organization to monitor, respond to and demonstrate tangible results and to analyse and report the progress in organizational performance at all levels based on the IRPF

¹ UNIDO 2016. Report of the Industrial Development Board on the work of its forty-fourth session, IDB.44/Dec.10: <https://www.unido.org/api/opentext/documents/download/8366178/unido-file-8366178>

as the corporate long-term results framework. As such, the MTPF 2018-2021 is being used to provide strategic guidance for UNIDO's programmatic architecture.

Figure 1. UNIDO's strategic framework 2018-2021



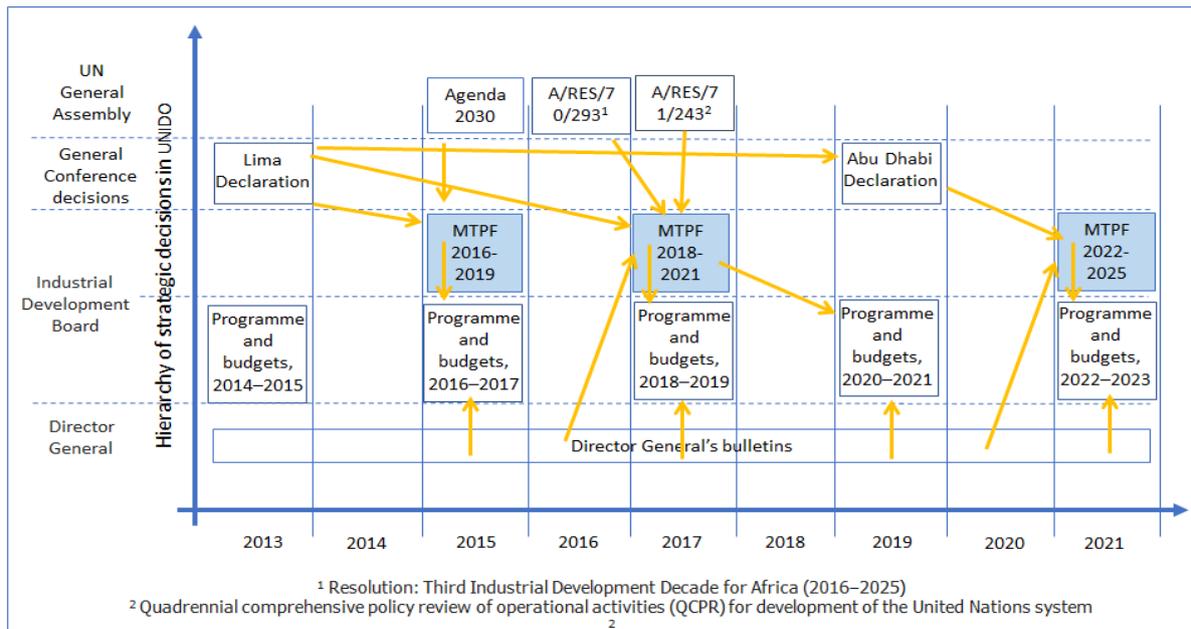
Source: UNIDO 2017. *Medium-term programme framework 2018-2021*

The MTPF 2018-2021 established four strategic priorities for UNIDO, which also serve as the foundation of the Organization's mandate of inclusive and sustainable industrial development (ISID), namely: (i) creating shared prosperity, (ii) advancing economic competitiveness, (iii) safeguarding the environment, and (iv) strengthening knowledge and institutions. It had the dual objective of integration and scale-up. As an integrator, MTPF provides a framework for UNIDO's core functions: (i) technical cooperation; (ii) analytical and research functions and policy advisory services; (iii) normative functions, and standards-related activities; and (iv) convening function and partnerships for large-scale investment, knowledge and technology transfer,

networking, and industrial cooperation. As an accelerator, it enables UNIDO in scaling up its development impact by increasing its capacity to demonstrate and report on results.

To achieve the above objective, for the first time, the MTPF 2018-2021 integrated all levels of the Organization’s performance and its development results, from the management of its internal operations to the achievement of industry-related SDGs into one framework. It further clarified UNIDO’s results-based management (RBM) framework by establishing a direct link between the MTPF and each level of the IRPF. The MTPF also included UNIDO’s theory of change (TOC) linked to 2030 Agenda and ISID as the UNIDO’s strategic framework (Figure 2).

Figure 2. Hierarchy and timeline of strategic decisions in UNIDO



Source: Evaluation Team, based on UNIDO documents.

Integrated results and performance framework (IRPF)

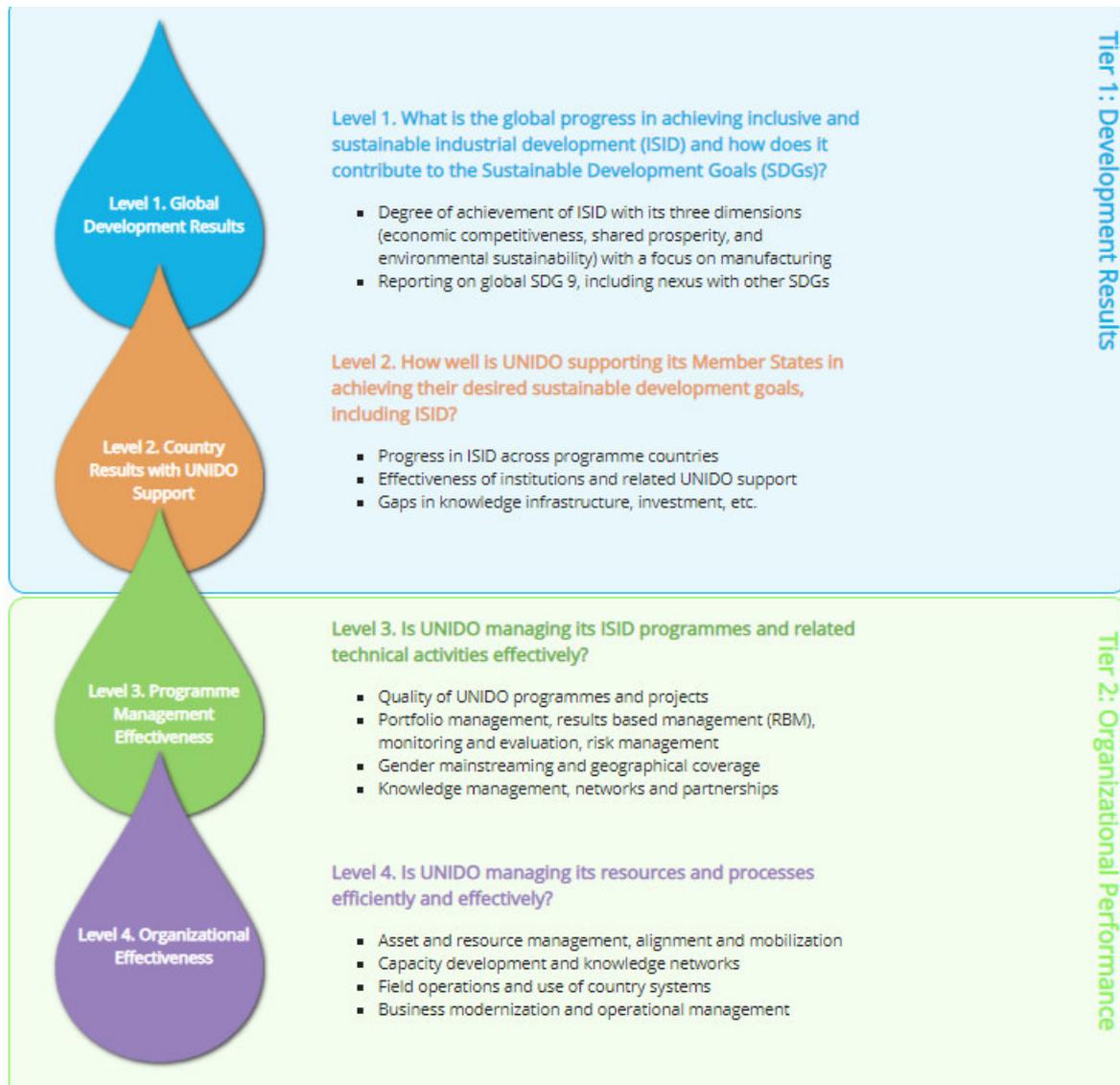
Originally, the IRPF was an integral part of the 2016-2019 MTPF. As a matter of fact, it is still considered as part of the MTPF although it is not presented in the same document. The MTPF links the programme management and organizational performance to development results measured in the IRPF. While level 1 reflects the global development results as outlined in the progress achieved on the overall 2030 Agenda, the results and performance under the programme at country level and the effectiveness of UNIDO’s programme management are measured and reported through the IRPF indicators of levels 2 and 3. The efficiency and effectiveness of UNIDO’s internal operations is measured on level 4.

Consequently, the MTPF was expected to have a strong focus on improved RBM and monitoring systems to analyse and report the progress in organizational performance at all levels of the Organization. With this framework, UNIDO could therefore align the deployment of the human and financial resources with the Organization’s strategic results and established integrated systems for planning, managing, measuring, and reporting on results.

The main purpose of the IRPF is to provide clarity to the Organization — its Member States and staff around the world — “on the Organization’s expected contribution to global development results, based on the Lima Declaration and the SDGs. It also lines out UNIDO’s corporate long-

term results framework to guide the implementation of the MTPF, the related programme and budgets, and the measurement of corporate performance, including managerial transparency, efficiency and effectiveness”².

Figure 3: UNIDO Integrated results and performance framework (IRPF)



Source: UNIDO Score Card (<https://open.unido.org/scorecard>, accessed in November 2021)

Overall, the IRPF was designed to make UNIDO a results-oriented, transparent, efficient, and trusted partner in the SDGs era. It was used as the corporate scorecard of UNIDO and was updated in 2019. In May 2020, ‘Managing for Results: A Guide to UNIDO’s Integrated Results and Performance Framework (IRPF) Approaches and Tools’ was introduced at UNIDO. Its main purpose is to ‘assist the adoption of the actor-based, behavioral change model underlying UNIDO’s results framework, as introduced by the updated IRPF’ and ‘support the implementation of the MTPF 2018-2021 and subsequent editions’.

² UNIDO 2017. Medium-term programme framework 2018-2021

3. The Evaluation

3.1. Evaluation purpose, objectives, scope, questions and hypotheses

Purpose. The purpose of this independent evaluation was to (a) strengthen UNIDO's accountability, strategic alignment, and results-based management, (b) feed to the implementation of the next MTPF 2022-2025, and (c) support organizational learning overall. The primary users of the evaluation are UNIDO staff involved in the preparation and use of the MTPF, the UNIDO Executive Board, Senior Management, and the Member States. This evaluation is a forward-looking exercise as it focuses on analysis and recommendations to enhance the implementation of the new MTPF 2022-2025.

Objectives. Following are the objectives of this evaluation:

1. To assess the MTPF 2018-2021 in terms of design, implementation, and results achievement.
2. To assess the design of MTPF 2022-2025 and the process of developing MTPFs.
3. To identify factors that hinder or favor the results achievement of the MTPF 2018-2021.
4. To provide recommendations for the design, review, and implementation of MTPFs.

Scope. This evaluation focused on the period between January 2017 and December 2021. It encompassed the MTPF 2018-2021 as well as the IRPF operationalization. As the MTPF 2022-2025 had already been formulated before the initiation of this evaluation, the evaluation sought to assess the design and formulation of the new MTPF in so far as it can offer lessons for future frameworks.

The evaluation also examined linkages between MTPF and other key policy and strategic level documents and initiatives such as the Programme and Budget (P&B), but it did not cover the project level. It should be noted that the evaluation also did not assess the performance of UNIDO in terms of achieving development results for the period 2018-2021.

Questions. After initial desk review and inception discussions, the evaluation questions were as below:

Evaluation subjects	Evaluation questions
a. Design and formulation (for MTPFs 2018-21 and 2022-25)	To what extent: <ol style="list-style-type: none">1) Does the MTPF provide a coherent vision and mission for the organization?2) Is the MTPF clear and consistent? Is the underlying theory of change (TOC) logical, consistent, and valid?3) Does the MTPF reflect priorities of member states and address key development challenges related to the agenda 2030?4) Is the MTPF realistic, keeping in mind the context, capacities, and resources in UNIDO?5) Was it developed in transparent and participative manner conducive to building organizational commitment? Were relevant internal and external stakeholders involved and their feedback considered? Did lessons learnt from prior MTPFs used to inform future MTPFs?

Evaluation subjects	Evaluation questions
	6) How are the MTPF, and linked processes such as IRPF and Result-based Budget (RBB), linked to UNIDO's effectiveness at achieving its intended development results? 7) How are strategic decisions made at UNIDO, with whose involvement and how often?
b. Implementation	To what extent: 1) Was the MTPF used in UNIDO for planning, budgeting, strategies, and implementation, including those of development programmes and projects? 2) Is the MTPF being used by Member States for planning, monitoring, and improving UNIDO's corporate performance and transparency? 3) Are MTPF and UNIDO's operations aligned with each other? 4) Is the MTPF fit for purpose? 5) Does the IRPF operationalize the implementation of the MTPF? 6) Is MTPF embedded in UNIDO's organizational culture and processes?
c. Results	1) What are the key results of the MTPF? 2) What are the effects of the MTPF on the Organizations? What are the changes the MTPF has brought about? 3) How effective has the MTPF been in integrating and scaling up? Is it helping UNIDO move away from a project-based to a strategic approach to its operations? 4) How effective are MTPF and IRPF as tools for monitoring and reporting for both internal and external stakeholders, including member states?

Hypothesis. After the initial desk review and inception discussions, the evaluation team identified the following initial hypotheses for validation. The hypotheses, outlined below, were indicative rather than *exhaustive* of what the evaluation *sought to verify, or disprove on the basis of evidence available*:

1. The MTPF 2018-2021 improved the Organisation's strategic orientation, i.e., the Organization adapted strategic approaches to programme planning, implementation, and adaptation.
2. The MTPF 2018-2021 led to significant strategic changes in the Organization, including at the level of programme and projects. Changes are visible in terms of thematic priorities but also in terms of implementation modalities.
3. The MTPF has aligned the deployment of the human and financial resources as well as programmes and projects with the Organization's strategic goals and has integrated systems for planning, managing, measuring, and reporting on results.
4. The MTPF has improved RBM and monitoring systems to analyze and report the progress in organizational performance at all levels of the Organization.
5. MTPF provided decisive moments for the Organization to make major shifts in priorities.
6. MTPF was designed and implemented in a participatory manner.
7. MTPF is used by Member States as a reference for overseeing UNIDO work.

3.2. Evaluation methodology

This evaluation followed a mixed-methods, inclusive and participatory approach with adequate triangulation and counterfactuals to arrive at credible, reliable, and unbiased findings as best as possible. The evaluation utilized a mixture of primary and secondary sources of data. The primary data sources included, among others, interviews with key stakeholders, focus group discussions, and an online staff survey. Secondary data sources included all available relevant documents and archival data. The evaluation was conducted in three phases; some of which ran concurrently: (1) inception; (2) data collection; and (3) data analysis and reporting. The evaluation timeline spanned from October 2021 to February 2022, culminating in the submission and presentation of this evaluation report by the evaluation team.

Inception phase

The inception phase involved preliminary desk review as well as discussions with key informants. This phase enabled the evaluation team to fine-tune the evaluation approach and methodology, including evaluation matrix, evaluation questions, stakeholder mapping and data collection tools. It also helped in crafting a theory of strategic management at UNIDO on how MTPFs are expected to influence strategic change at UNIDO in Annex 1. The evaluation results matrix used for this evaluation is in Annex 2.

Data collection phase

Data collection from various sources and methods was undertaken concurrently. It involved documentary evidence, virtual consultations by way of key informant interviews (KIIs) and focus group discussions (FGDs), online surveys, archival data sources and any other data as needed and available.

Desk review: The evaluation team reviewed key documents related to the MTPFs and relevant existing evaluations and assessments by internal and external parties. The evaluation also reviewed and used online data available such as UNIDO's Open Data Platform, with the aim of collecting concrete documentary evidence to answer the evaluation questions.

Stakeholder consultations: The evaluation team conducted a stakeholder mapping (see Annex 3), which indicated the need to consult the following key stakeholders (i) UNIDO Member States, (ii) Members of the Executive Board (iii) senior management and project managers of Technical Cooperation (TC) departments, (iv) senior management and staff of non-TC departments and (v) UNIDO staff in the field. In total, the evaluation team consulted 67 stakeholders through key informant individual interviews (KIIs) and focus group discussions (FGDs), which provided rich, in-depth qualitative information on all aspects of the MTPF. Owing to current travel restrictions, all KIIs and FGDs were conducted virtually online.

Online survey: The evaluation team conducted an online survey to collect data from a stratified random sample of UNIDO staff. The questions for this survey were designed to elicit information identified in the evaluation matrix. 125 staff members stratified by location, position and gender were invited to take the survey. In total, 76 persons participated in the survey, corresponding a response rate of 61%.

Archival data: The evaluation team collected relevant information, including human and financial resources, deployed at various departments and locations.

Data analysis phase and reporting

The third phase involved data analysis from all sources and the actual drafting of the evaluation report. Qualitative and quantitative analytical techniques were employed to organize data and information based on the evaluation matrix. Qualitative analysis provided illustrative examples. Quantitative analysis was used with the survey and archival data. To ensure the rigor of the analysis, each member of the evaluation team drafted her/his inputs on a number of agreed topics independently and shared drafts to check agreement or disagreement. Based on these analyses, the evaluation team drafted the evaluation report, which was shared with key stakeholders for their validation of factual errors and comments prior to its finalization.

3.3. Evaluation limitations

The evaluation faced the following limitation:

Due to the global COVID-19 pandemic, the evaluation was conducted in line with the corresponding UNIDO COVID guidance and rules. These prioritize the health and safety of all parties involved. Given the circumstances and travel limitations, physical meetings or visits were not possible. Therefore interviews and focus group discussion with stakeholders were held online. The external members of the evaluation team could not visit UNIDO Headquarters in Vienna and none could visit any field offices. Neither could the evaluation team members meet in person. The evaluation was conducted entirely as a remote exercise, with the risk of affecting the richness of the face-to-face interaction between the evaluators and the informants. However, this risk was mitigated and, on the basis of experiences with evaluations during the pandemic, it was overcome and handled without affecting the quality of the evaluation process and its results.

4. Evaluation findings

4.1. Purpose of the MTPF

Summary finding 1: The MTPF is multifunctional and serves different purposes. The MTPF 2018-21 provided a vision and mission to UNIDO staff and stakeholders. It also provided some strategic guidance, helped to advance results-based management and was partly useful as a communication tool. However, the MTPF 2018-21 did not lead to significant shifts of UNIDO's strategic direction or to an increase in resources. More generally, the purpose of the MTPF is not clearly defined and different stakeholders have different expectations vis-à-vis the MTPF.

Since the General Conference decision in 1987 requesting the Director General to submit the MTPF to the Industrial Development Board, the purpose of the MTPF has not been clearly defined. A document review shows that the purpose of the MTPF is defined differently and ambiguously:

- the MTPF should “*state the objectives to be achieved in the plan period, the strategy to be followed and the measures to be taken to that effect*” (GC.2/INF.4 decision in 1987)
- the MTPF “... *provides strategic guidance for the programmatic activities of UNIDO over the next four years ... The MTPF 2018-2021 also reflects the long-term vision of UNIDO Member States, ...*” (MTPF 2018-2021, 2017)
- “*a quadrennial strategic plan of UNIDO ... which provides strategic guidance for UNIDO...*” (Accountability Framework (DGB/2021/03, 2021, ANNEX II: Glossary of terms, page 20))

The different definitions of the MTPF hover around “strategy”, “guidance”, “vision” and “strategic plan”. The term MTPF itself includes “programme framework”. While the different terminologies are similar, they are not the same. While a “vision” suggests a rather long-term goal and a “framework” implies a broad outline, a “plan” is something more specific with clear targets and a more detailed approach to achieve the targets.

What is more, the purpose of the MTPF is understood differently by different stakeholders, leading to different expectations (based on interviews with the evaluation team):

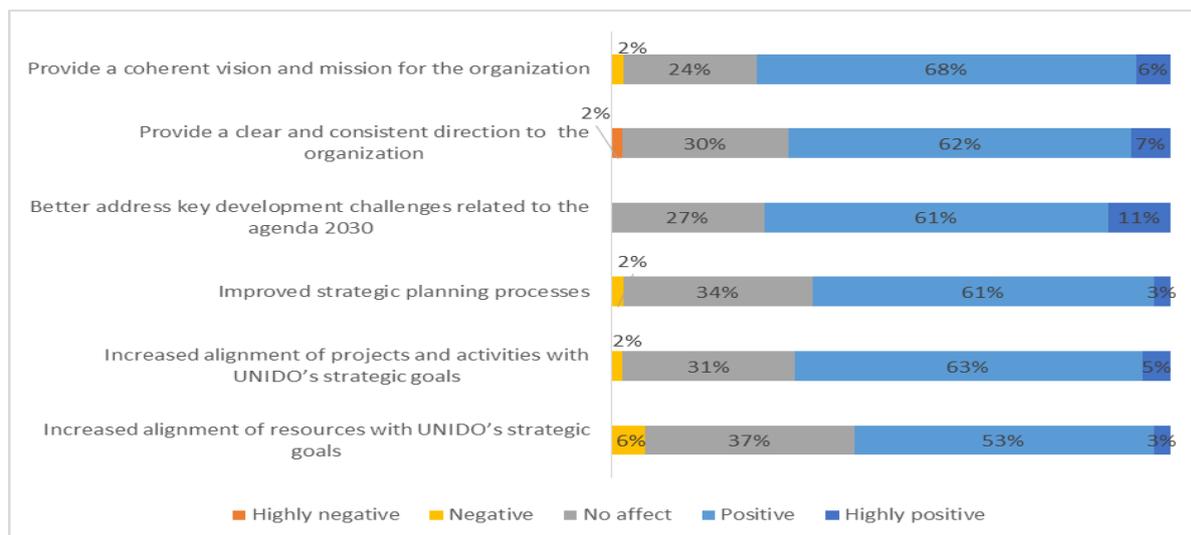
- the MTPF should provide a coherent vision and mission for UNIDO.
- the MTPF should provide strategic guidance to the Organisation.
- the MTPF should lead to major shifts in priorities or strategic direction.
- the MTPF should help make UNIDO more results-oriented.
- the MTPF should contribute to fund raising.
- the MTPF should serve as a communication tool.

These different expectations are not necessarily contradictory or problematic. Also, not all expectations expressed by staff reflect the original intention of the MTPF. For example, the idea that the MTPF should directly contribute to fundraising is not stated explicitly. Still, the MTPF is multifunctional and can serve different purposes and to do justice these purposes are assessed hereafter separately.

Does the MTPF provide a coherent vision and mission for UNIDO?

Many stakeholders consulted for this evaluation, both internal and external, expect the MTPF to provide a vision and mission for UNIDO. And of those, most expressed the view that the MTPF does indeed provide such a vision and mission.

Figure 4: Effect of MTPF 2018-21 on vision and planning



Source: Staff survey, evaluation team, 2021. (Number of responses N=62)

They find the MTPF useful as it helps to understand the overall picture of what UNIDO does and what it wants to achieve, its priorities and how it contributes to SDGs. The theory of change introduces in the MTPF 2018-21 is considered useful by many interviewees. It provides a common vision for UNIDO. This view is supported by the results of the staff survey. 74% (46 out

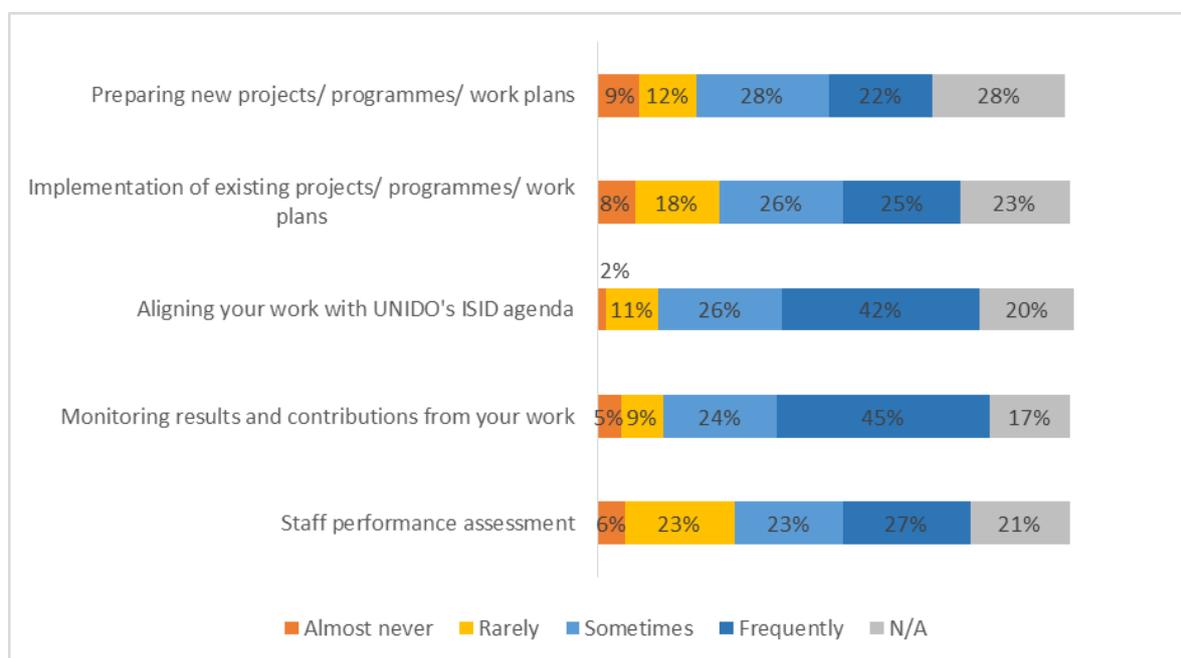
of 62) of the respondents see a positive effect of the MTPF 2018-21 on providing a coherent vision and mission for the Organisation (Figure 4). 24 % of the respondents see no effect and 2% see a negative effect of the MTPF on providing a coherent vision and mission.

Does it provide a strategic guidance to the Organization?

Compared with a mission or vision, strategic guidance is understood for this evaluation as providing useful direction to UNIDO in its day-to-day operations. The extent to which the MTPF 2018-21 provides such strategic guidance is less clear. In interviews, many stakeholders stressed that the MTPF 2018-21 does not clearly provide strategic guidance. There are several reasons for this view. The MTPF is seen as being rather broad and its four strategic priorities being able to accommodate many activities.³ Several interviewees stressed that the MTPF is not focused enough and that it should be more strategic (i.e., selective, prioritizing). The Programme and Budget 2022-23 is seen by many as being more useful in this regard. The five P&B 2022-23 results areas with clear targets are seen as a significant change in providing clear guidance to departments and a much better accountability framework with financial resources attached and quantified tasks that can be measured compared with the MTPF 2018-21.

The somewhat not so clear strategic guidance provide by the MTPF is confirmed by the evaluation team’s own assessment of the quality of the MTPF (chapter 4.2). The logical model still shows important weaknesses as no clear definition of results and outcomes can be found especially at higher levels of theory of change. And the comparison between the MTPF 2022-25 and the P&B 2022-23 shows that the five P&B results areas are – while similar – not identical with the five key “behavioural change areas” defined in the MTPF creating some ambiguity.

Figure 5: Strategic guidance of MTPF 2018-2021



Source: Staff survey, evaluation team, 2021 (N=65).

Stakeholders made a point that – given the broad nature of the MTPF’s strategic priorities – most funding proposals for technical cooperation can somehow be accommodated thereby missing an opportunity to say no and sharpen the focus. It is telling that the approval rate of project

³ (i) creating shared prosperity; (ii) advancing economic competitiveness; (iii) safeguarding the environment; and (iv) strengthening knowledge and institutions.

proposals by the Executive Board is nearly 100%. Others highlighted the disconnect between the MTPF and the day-to-day work of UNIDO staff (e.g. the MTPF is not reflected in the work plan of field offices, Staff Performance Appraisal, and other tools).

The results of the staff survey are somewhat more positive regarding the strategic guidance provided by the MTPF. Nearly 69% of the respondents say that the MTPF 2018-21 provides a clear and consistent direction to the organization. 30 % of the respondents see no effect and nearly 2% see a negative effect. And nearly 68% of the respondents indicate that the MTPF had a positive effect on the alignment of project and activities with UNIDO's strategic goals (Figure 4). Around 31 % of the respondents see no effect and 2% see a negative effect.

50% of the respondents say that they use the MTPF sometimes or frequently when preparing new projects, programmes or work plans, suggesting that somehow the MTPF is providing at least some direction (Figure 5).

Some interviewees mentioned that while the MTPF 2018-21 is clear on the strategic thematic priorities, it is less clear about the strategic HOW TO, on the approaches UNIDO should pursue in order to achieve those strategic priorities.. The MTPF is not seen as being strong with regard to how to implement (Box 1).

Box 1: Some strategic questions that the MTPF should answer as expressed by stakeholders

- Should UNIDO move away from Technical Cooperation (TC) consultancy as an implementation agency towards developmental and impact driven work, including policy level advice at the macro level? If this is the case, how should it be done?
- How different is the approach to Least Developed Countries (LDCs) and Middle-Income Countries (MICs)? How different is the approach to different regions?
- How should the structure of UNIDO – including human resource allocation - be adjusted to reflect the priorities?
- How can UNIDO promote/ensure scale-up impact of its interventions?
- How can the UNIDO work be prioritized to ensure focus and realistic approaches based on available resources?

Source: Evaluation team, based on interviews with stakeholders, 2021.

Does the MTPF help the Organization make major shifts in priorities or strategic direction?

There is a broad consensus that the MTPF did not lead to any major shift of UNIDO's strategic direction. Many stakeholders are of the view that the MTPF basically presents what the Organization has already been doing. In that sense the MTPF is more seen as a "mirror" of the Organization and less as a "telescope" showing where UNIDO is going in future. This is confirmed by a document review which shows that overall direction of UNIDO has not changed over the years.⁴

Many stakeholders are of view that this continuity "business as usual" approach is due to UNIDO's dependence on voluntary contributions following a project approach, i.e., UNIDO does what is fundable, while the limited regular budget resources do not allow for a "self-financed" change of course. This situation restricts the room for the organization to manoeuvre and to make major strategic changes.

⁴ For example, the theory of change of the MTPF 2018-21 and the MTPF 2022-25 is basically the same.

It was also mentioned in interviews that the MTPF 2018-21 did not lead to an alignment of the organizational structure with the MTPF priorities. A comparison of the organizational structures of 2018 and 2020 shows that while the organization structure had changed somewhat, the changes do not reflect very close alignment with the MTPF strategic priorities.⁵

This is not to say that the MTPF 2018-21 did not lead to any changes in the Organisation. As we will see later in the report, the MTPF had several effects. For instance, the priority set on integrating the four UNIDO core functions and the scaling up of impact has led to some changes (see section 5).

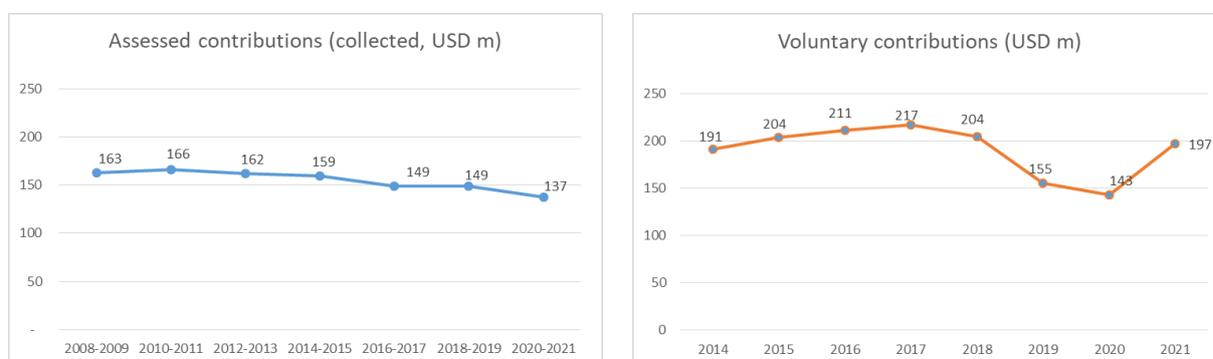
Has the MTPF helped UNIDO improve results-orientation?

There is a widely shared view that the MTPF – together with the IRPF – has helped advance results-based management (RBM) in UNIDO. The different levels of the organization’s results have been linked, i.e., a connection between development results at project, country and global results has been established. This is reflected in the MTPF theory of change. A results-based budget was prepared in 2021 and results measurement, monitoring and reporting have been worked on. 71% of the respondents of the staff survey state that they use the MTPF sometimes or frequently for monitoring results (Figure 5). (More on RBM in section 2).

Does the MTPF contribute to fund raising?

Several stakeholder had the expectation that the MTPF 2018-2021 would contribute to fund raising. The expectation was that with clear thematic priorities, an alignment with the SDGs and a strategic approach to implementation, the MTPF would convince donor countries and donor organisations to enhance their financial contributions to the organisation.

Figure 6. Assessed and Voluntary Contributions to UNIDO, 2015-2021



Source: UNIDO Annual Reports, Enterprise Resource Planning system and Department of Finance, 2022

The analysis of the assessed and voluntary contributions to UNIDO for 2015 to 2021 shows that available resources have not increased since 2018, the first year of the MTPF 2018-2021 (Figure 6). While the assessed contributions decreased from the biennium 2018-19 to 2020-21 (a trend since 2008-09), the voluntary contributions decreased during the first three years of the MTPF 2018-2021 to then increase in 2021. As such, there is no recognizable correlation between the MTPF and financial contributions to UNIDO.

⁵ The Directorate of Programme Development and Technical Cooperation (PTC) was divided into a Directorate of Digitalization, Technology and Agri-Business and a Directorate of Environment and Energy. This structure does to some extent reflect MTPF’s focus areas which are Digital Transformation and Innovation and Structural Transformation and Sectoral Expertise; Climate Neutral Industry and the Circular Economy.

However, the expectation of the MTPF having a major effect on fund raising is probably unrealistic. While this evaluation has some indication that institutional donors like the GEF, Green Climate Fund (GCF), Montreal Protocol and EU increasingly take mandates and strategies of their implementing partners into account, funding decisions at project level are primarily based on project documents rather than on the MTPF. Similarly, bilateral donors' funding decisions depend on many factors of which agency strategies like the MTPF are only one factor. For instance, 2020 was the first COVID year and donors may have diverted resources to more pressing needs.

Does the MTPF serve as a communication tool for UNIDO?

To start, it is interesting to note that the MTPF is seen by many UNIDO staff more as a communication tool than as a strategic management tool.

It appears from the interaction with Member States and UNIDO staff that the MTPF is a useful communication tool. Mentioned in particular was the figure of the MTPF theory of change (figure 1). The IRPF is also seen by many as an improvement to communicate UNIDO results. The IRPF indicators make it easier to report and to tell the "UNIDO story". This is seen as a big step forward. For instance, the Annual Report 2020 with the IRPF reporting was well received by Member States interviewed for this evaluation.

However, many stakeholders are of the view that the communication around the MTPF can still be improved. Many consider the MTPF document itself (IDB.45/8/Add.2) as too long, rather theoretical and quite complicated to be used as such for communication with Member States and partner ministries. There is a need to "translate" the content in order to communicate in less abstract terms and there is a need to develop separate communication products that pull out key messages for advocacy.

More generally, some are of the view that UNIDO still has a communication problem. UNIDO activities are still seen as too broad, in particular the three impact dimensions ("creating shared prosperity, advancing economic competitiveness, and safeguarding the environment").

Summary - Purpose/expectations

Purposes/expectations	assessment
The MTPF should provide a coherent vision and mission for UNIDO.	satisfactory
The MTPF should provide strategic guidance to the Organisation.	partly satisfactory
The MTPF should lead to major shifts in priorities or strategic direction.	unsatisfactory
The MTPF should help make UNIDO more results-oriented.	satisfactory
The MTPF should contribute to fund raising	No correlation
The MTPF should serve as a communication tool.	partly satisfactory

4.2. RBM and alignment of strategic management tools

Summary finding 2: MTPF, IRPF and P&B are the troika of tools that provide the foundation for UNIDO's RBM architecture. These tools have helped establish a *clearer* results chain between UNIDO's work and its expected development results at global and country level, and its organizational performance. There is a strong sense that UNIDO is moving in the right direction in terms of managing for results. However, there is significant scope for improvement, especially in terms of aligning human and financial resources with the

Organization's strategic results and establishing an integrated system for planning, managing, measuring, and reporting on results.

Most interviewees and survey participants suggested that there had been a significant progress in aligning various strategic management tools with each other. While they expressed mixed views on the MTPF rocket imagery (figure 1), which some saw very useful, and others found distracting and confusing, there is a general consensus within the organization that UNIDO is heading in the right direction when it comes to managing for results. As shown in Figure 4, the majority of respondents believe that MTPF provides a clearer vision and better alignment between UNIDO's strategic goals and its projects and activities.

Many stakeholders acknowledged that RBM tools within UNIDO such as the MTPF, IRPF, results-based P&B, annual management priorities set by the DG, department annual work plans piloted in 2021, the Annual Report and project monitoring and reporting requirement have been slowly and steadily aligned and connected with each other. However, the annual management priorities by the DG do not always match with the MTPF and individual staff performance appraisal is not yet aligned. In any case the dots are being connected, even more so recently through a series of initiatives: participatory development of IRPF indicators, services module development, participatory and consultative approach in developing 2022-2023 results-based P&B, and a stronger push from the management to focus more on monitoring and reporting project and corporate results.

The MTPF manages to spell out the organization's results chain, the actors, what UNIDO does and what it influences and contributes. *'We know all of this in one document'* (statement of one of the stakeholders interviewed by the evaluation team). While many staff consulted by the evaluation team appreciated and acknowledged the usefulness of the IRPF in telling the results and performance story of UNIDO, some also found flaws and the risks associated to this tool. For example, some feel that the task of monitoring and reporting IRPF indicators is too time-consuming, the indicators do not always connect to their stream of work, and it is difficult to retrofit project logframe and results into IRPF reporting requirement. There is also a high risk for UNIDO if the organization cannot aggregate results from project to corporate level in a meaningful way.

Further, a closer review of documents highlights scope for improvement in alignment.

MTPF provides a broad framework without mentioning specific SMART results. Thus, shared economic prosperity from industry, economic competitiveness and environmentally sustainable industry are the key generic impacts sought by UNIDO. These results are expected by achieving outcomes relating to strengthening knowledge and institutions, norms-building, technical cooperation, and partnership development. Results-based budgeting and IRPF provide more details on the expected results. While the MTPF is very broad in describing strategic priorities, the IRPF goes directly in defining indicators. RBB 2022-2023 bridges this gap across these documents, but none of the documents provides a comprehensive **logic-model overview** with clearly delineated objectives, outcomes, indicators, data sources and collection methods.

Their operationalization is best viewed in annual reports, where a clearer picture of results achieved is outlined. Thus, the 2019 annual report, for example notes that:

"By 2050, food supplies will have to double to feed the exploding global population, while agricultural land use, water and forest resources are already under increasing pressure. UNIDO provides training to farmers and agribusinesses to create higher quality products at lower cost and less waste. Cleaner technologies are being introduced to enable them to comply with the quality and food safety practices needed to access wider markets and increase

incomes. UNIDO is also helping develop agro-industrial parks to bring companies together to share services and further reduce costs” (p.16).

While each of the statements in the paragraphs above is factually correct, the link between them is still weak. For example, it is not clear if UNIDO analyzed where the agriculture producers and farmers were under high duress, where they had resources to other support and where they needed UNIDO's support the most. Did it determine whether the farmers needed to use basic technologies or more modern state-of-the-art ones? What was likely to lead to more sustainable results? Was the intervention going to be holistic in that the farmers would be provided better access to markets? It is possible that some of this information is in other internal documents, however it is possible to provide better overview of the linkages to make a more convincing argument.

The logical model underlying the overall results framework (MTPF, IRPF and P&B) still shows important weaknesses as no clear definition of results and outcomes can be found especially at higher levels of theory of change. Level one results essentially describe the state-of-the-world. There is some recognition of this in the IRPF, which states the level one results under the heading: “Level 1: Global industrial development context.”⁶ As the context, it is not really a UNIDO result. It is the background for UNIDO's contribution. Level one results should really be the degree of change to this situation that UNIDO seeks to make. In its absence, not only does the linkage appear weak, but also that UNIDO is trying to take credit for something to which the organization made little contribution. This is especially important as UNIDO is a small player in a ‘market’ full of big players. If UNIDO wants to report on this data as a custodian of industry-related SDGs, this should be reported separately from its results framework. The result framework should only contain that slice of the change that relates to UNIDO's contribution.⁷

Relatedly, the 2015 evaluation of UNIDO MTPF had noted that the indicators used in the MTPF 2010-2013 did not meet the SMART (Specific, Measurable, Achievable, Relevant and Time-Bound) criteria. In RBM, outcomes together with indicators should provide some idea of change to be made through various interventions. It is good to note that UNIDO has made considerable progress in defining SMART results indicators. This progress can be seen in the 2022-23 P&B⁸, which provides detailed information on outcome results to be achieved over the next biennium (e.g., 30 new or revised policies are adopted by policymakers, 120 institutions are established or strengthened, etc.). While occasionally these indicators mix up outputs and outcomes (e.g., GOV.2: Number of actors participating or POR.3: Number of ongoing projects), these indicators generally meet the SMART criteria. However, after aggregating results from project to corporate level, adding in a qualitative dimension to the corporate results would make UNIDO's results more meaningful. It would be useful to clarify how to capture the qualitative aspects in the corporate monitoring and reporting system.

Further, the 2015 evaluation had noted that there was no indication of priorities among the various results. Not much progress in this regard is apparent from the documents. All results at the same level continue to be listed without any indication of any prioritization. There are no

⁶ UNIDO 2019. Integrated results and performance framework: Updated indicators and definition. It must be noted that the names of different result levels of the IRPF in the revised 2019 IRPF (UNIDO 2019) and the 2020 Annual Report are different from those in the *UNIDO Score Card* (<https://open.unido.org/scorecard>, access in November 2021): Level 1 ‘Global industrial development context’ against ‘Global development results’; Level 2 ‘Country and global results with UNIDO support’ against ‘Country results with UNIDO support’; Level 3 ‘Programmatic offer and programme management effectiveness’ against ‘Programme management effectiveness’; and Level 4 ‘Organizational resources and efficiency’ against ‘Organizational effectiveness’.

⁷ Note that this is not to suggest that UNIDO is making this claim rather that it is the impression stakeholders get from the current set up of the MTPF. Thus, it is important to clarify that this is the context to and not the result of UNIDO's work.

⁸ Programme and budgets 2022–2023, IDB.49/5-PBC.37/5.

indications regarding plans should the expected funding not come through: Would UNIDO proportionately reduce budgets for all activities or cut out some less important projects and activities? The MTPF and the budget still provide no indication in this regard.

The revised new version of the framework appears to be more coherent, however is still somewhat weak when it comes to measuring development impact and accountability for results. This is primarily due to the vague linkages between the top-level results, especially at the level 1 and level 2.

UNIDO additionally faces challenges in linking results from TC projects (funded by voluntary contributions) to the results from organizational units (funded by RB). While project always have their results frameworks, the reporting on results from organizational units (be it field or HQ) is scarcer. For example, the 2019 evaluation of the UNIDO field network noted that, “UNIDO is in the process of introducing the IRPF which is expected to improve results reporting. However, in its absence, UNIDO is currently underreporting its contribution to the ISID agenda and ultimately to the SDGs due to the lack of results data. While some data at the level of projects is collected, it is not systematically monitored and recorded, especially at the level of field offices and organizational units. This can partly be attributed to resources that are already stretched too thin and partly to the lack of field integration, as pointed out earlier” (p.47). Similarly, evaluation of the UNIDO formulation, appraisal and approval function stated that, “The current shortcomings in the availability and quality of guidance for project formulation based on the principles of Results Based Management (RBM), Theory of Change (ToC) and Logical Framework Approach (LFA) represent a bottleneck for UNIDO’s response to Member States’ need for technical cooperation oriented towards results and impact” (p. viii). Thus, both the linkages with field-level and projects⁹ have been reported to need improvement. In this context, UNIDO’s RBM system seems to be weakest in the area between the organizational and the project levels, i.e., at the level of programmes (be it thematic or geographically defined programmes). This gap needs to be closed to better link the organizational and project levels through robust programme theories with indicators and targets.

The introduction of results-based budgeting through the 2022-2023 P&B has *prima facie* improved the linkage between results indicators and budget or resource framework. However, it is not clear whether the budgeting exercise was started backwards from the results targeted by UNIDO or existing projects and activities were simply reclassified to comport with the indicators identified in the MTPF. To make the best use of the RBB, UNIDO needs to use to substantially rely on the former approach.

Further, a comparative analysis between the MTPF 2022-2025 and the P&B 2022-23 shows that the five P&B results areas are – while similar – not identical with the five key “behavioural change areas” defined in the MTPF (para 99). The results areas 1-3 are similar to the “enabling outcomes” (see ToC), but follow a macro-meso-micro logic, which is different to the “behavioural change” logic of the MTPF-ToC. Results areas 4-5 are at input and output level of the ToC and therefore clearly a different type of result (not outcome level). Thus, the IRPF indicators are used. However, they had to be completely regrouped to match the five results areas. In that sense, the MTPF, IRPF and the Programme and Budget are only partly aligned.

⁹ Projects focused on environmental issues (such as those funded by Global Environmental Facility) are likely an exception to this general rule. Interestingly, the only impact results reported in the UNIDO’s 2020 Annual Report pertains to this. The report mentioned that 77 million tons of CosCO₂-equivalent and over 90,000 tons of pollutants were reduced with UNIDO contribution in 2020 (p. vi). However, no results in respect of two other level 1 results (shared prosperity and economic competitiveness) are reported, although some isolated examples are provided in the report.

Other possible improvements can be seen in the following areas (1) The available data at project level in the UNIDO Enterprise Resource Planning system (ERP) is not yet sufficiently aligned with the IRPF indicators.¹⁰ (2) Staff from research suggested that the IRPF is not well aligned with their (research) work. (3) At the level of departments, there is an ongoing pilot initiative to align the work plans to the targets in the P&B 2022-23. In 2021, each department was requested to develop a work plan, using IRPF indicators, to track progress to the five results areas of the P&B 2022-23 with frequent reporting to the Strategic Office of Strategic Planning, Coordination and Quality Monitoring (SPQ) (see more on section 7). However, this is still work in progress and it is not cleared whether it will be continued under the new Director General.

There is also a need to further explore the extent to which specific aspects of UNIDO's agenda are covered by the MTPF and its supporting documents. For example, UNIDO states that "South-South and triangular industrial cooperation plays an essential role as part of UNIDO's overall strategy to assist developing countries and leverage the potential of regional trade, investment and economic integration among Southern partners to support local SMEs and strengthen regional supply chains."¹¹ However, these aspects of strategy do not find much mention in the MTPF results framework and IRPF indicators. Similarly, UNIDO's normative and policy advisory functions is expected to play a particularly important role in scaling up results. There is a need to examine the extent to which normative and policy work is adequately covered in programme planning, monitoring and evaluation.

4.3. Role of Member States

Summary finding 3: While the MTPF is generally appreciated by Member States and credited for broadly reflecting Member State priorities related to the Agenda 2030, it is not considered a key strategic document for them. In fact, it is seen more as an internal UNIDO Secretariat document and an outreach tool. The contribution of Member States in shaping the MTPF is very limited and does not provide strategic guidance to UNIDO, unlike the Lima and Abu Dhabi declarations.

Relevance of MTPF to Member States

Many stakeholders, both internal and external, are of view that the MTPF reflects priorities of Member States and addresses key development challenges related to the Agenda 2030. In general, Member States appreciate the MTPF and the IRPF, crediting them for pushing the RBM agenda. The IRPF in particular is appreciated in this regard. Moreover, Member State appreciated that the MTPF time frame is aligned with the quadrennial comprehensive policy review of operational activities (QCPR) for development of the United Nations system.

However, evidence suggests that the MTPF is actually not used by Member States for overseeing and monitoring UNIDO. Moreover, the MTPF is not viewed as being a relevant point of reference for the financial discussions between UNIDO and Member States. This is in contrast to the Programme and Budget which is much more important as it is a compact between the Director General and Member States.

More broadly, it appears that Member States are not guided by the MTPF. Most Member States consulted for this evaluation and most UNIDO staff members view the MTPF as an internal document of the UNIDO Secretariat, rather than a document owned by Member States. This view is supported by the fact that the MTPF has no legal background and not legal binding to UNIDO and to its Member States in terms of funding. In that sense, Member States have no shared

¹⁰ This is the view of some stakeholders interviewed.

¹¹ Programme & Budget 2022-23, p.24.

accountable for the implementation of the MTPF.¹² Consequently, the Industrial Development Board at its forty-fifth session in Vienna (27-29 June 2017) only “took note”¹³ of the medium-term programme framework, 2018-2021 (IDB.45/8/Add.2*), as it is the case with the previous and current MTPFs.

Some stakeholders in UNIDO wish that Member States would pay more attention to and make more use of the MTPF for planning, monitoring and improving UNIDO’s corporate performance and overseeing UNIDO’s work. The consultation that the evaluation team had with the chairs of five regional groups also confirms the low attention and awareness of the MTPF among UNIDO Member States. Member States on the other hand indicated that if the MTPF is important to the Organization, the Secretariat should make more efforts to communicate its importance to Member States. The issues was raised that the MTPF is rather long and its language rather technical. It was suggested that the MTPF should be sharper and shorter in order to better engage with Member States. Extracts from the MTPF can be useful as communication tool. The figure of the Theory of Change was mentioned as an example for an element from the MTPF which is used during discussions with government entities. In this regard, the now available short “Brochure” (11 pages) of the new MTPF 2022-2025 might be useful (Box 2).

Box 2: Brochure of MTPF 2022-25



Source: UNIDO website

Involvement in design process for the new MTPF 2022-2025

In early 2021, the UNIDO Secretariat conducted two surveys among Member States before developing the new MTPF 2022-2025. One survey was conducted among government counterparts (i.e. mainly ministries); and the other among Permanent Missions in Vienna. The first survey was answered by 12 government counterparts; the second by 14 Permanent Missions.¹⁴ In total, 25 Member States or only 15% of the 170 UNIDO Member States responded to the surveys.

Most of Member States directly consulted by the evaluation team did not recall being asked to contribute to the formulation of the MTPF or having had a debate on the MTPF in a meaningful way.

However, while the survey did not receive a response that can be statistically representative of all UNIDO Member States, the survey helped - according to the survey report - guide the design of the MTPF 2022-25. For example, the survey among Member States government counterparts

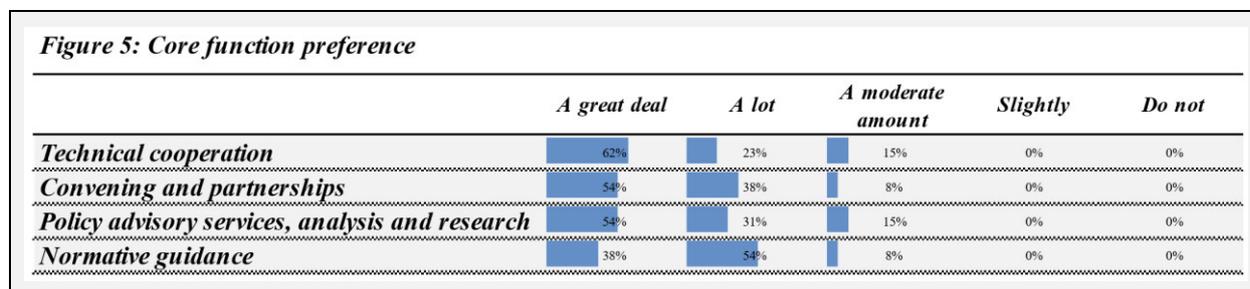
¹² UNIDO Accountability Framework, DGB/2021/03 para. 7: “UNIDO maintains a mutual accountability relationship with Member States and other stakeholders. In this respect, Member States issue mandates expressed as decisions, directives, priorities and targets through the policymaking organs. Member States further support the Organization’s mandate by providing resources for the approved work programme as well as fulfilling an oversight role vis-à-vis the Organization.”

¹³ ... and not “endorsed” or “approved” the MTPF.

¹⁴ UNIDO 2021, Medium-term programme framework, 2022–2025: Results of the preparatory consultation surveys, IDB.49/CRP.9, July 2021.

revealed the preferences related to UNIDO’s core function, i.e. technical cooperation, convening and partnerships, policy analysis and advice, and normative guidance (Figure 7).

Figure 7: Example of a survey result – consultation survey for the MTPF among Member States government counterparts



Source: UNIDO 2021, *Medium-term programme framework, 2022–2025: Results of the preparatory consultation surveys*, IDB.49/CRP.9, July 2021.

Still, the evaluation team noted that although the new MTPF 2022-25 was on the agenda of the 19th General Conference from 29 November to 3 December 2021, which was during the data collection phase for this evaluation, it was not discussed at all. Neither the Secretariat nor Member States seized this opportunity to discuss the MTPF 2022-25. Apparently, neither the Secretariat nor Member States felt a need to debate the content of the MTPF. In July 2021 when the Director General submitted the MTPF 2022-25 to the Programme and Budget Committee (PBC) and the Industrial Development Board (IDB), the IDB only took note of the MTPF.

One Member State pointed out that the consultation among Permanent Missions in Vienna was hampered by the Covid-19 pandemic and its related constraints (e.g. difficulties to meet in regional groups).

It was suggested that efforts should be made to engage Member States in a more meaningful manner in developing MTPFs in order to enhance their understanding and ownership. The appreciation expressed by Member States for being consulted as part of this evaluation suggests an interest in being more engaged.

Role of Member States in providing strategic guidance to UNIDO

While the focus of this evaluation was on the MTPF, stakeholders shared their views with the evaluation team on the role of Member States in providing strategic guidance to UNIDO beyond the MTPF. These views might be valuable and the evaluation team decided to include them in this report, acknowledging that the evaluation did not systematically assess the role of Member States in providing strategic guidance to UNIDO beyond the MTPF.

It appears from the interviews with Member States and UNIDO staff conducted for this evaluation that, overall, Member States rarely provide strategic guidance to UNIDO. The Lima and the Abu Dhabi Declarations are such concrete moments when Member States truly provided strategic direction to UNIDO.¹⁵

Several interviewees made a point by stating that the permanent missions in Vienna have limited capacity with regard to industrial development and therefore limited ability to provide further

¹⁵ Another key moment for UNIDO was in 1997 when some Member States left UNIDO. At that time, real decisions were made by Member States to refocus the organisation and move away from being a sector agency. That was a moment of strategic guidance provided by Member States.

strategic guidance to UNIDO. The counterpart ministries (e.g. ministry of industry) are seen as being far away.

It was proposed by several senior managers that UNIDO should establish a dialogue with Member States on the relevance of UNIDO. In particular, it was proposed that UNIDO Secretariat should further promote moving away from the project approach to fund bigger or global programmes (programmatic approach), and engage Member States commitment and support for this roadmap.

This is not to say that Member States do not have an influence on UNIDO. Individual Member State's or groups of them, have a major influence on UNIDO activities at the country level by calling on UNIDO to provide support in areas of need. Donor countries have a major influence on UNIDO activities through funding of extra-budgetary activities which are primarily driven by donor country priorities. However, these "forces" are at times pulling in different directions and do not provide for the coherent, focused UNIDO strategy. Several interviewees made a point by stressing that Member States have different priorities and different approaches with regard to industrial development which may not be easily reflected in a joint document. (e.g. LDCs have different needs compared with MICs).

4.4. Overall architecture, governance and reform policies

Summary finding 4: Many building blocks for an institutional architecture to implement the MTPF have been put together in past few years. They address key dimensions of the implementation of the MTPF such as results management and monitoring, results based budgeting, accountability, quality assurance, risk management, and others. The enforcement of this massive reform package to implement the MTPF is a challenge.

The overall institutional architecture essential to implement the 2018-2021 MTPF was missing for much of the period between 2018 and 2021. In 2019 and 2020, the External Auditor of UNIDO¹⁶, independent evaluations, and Donor Assessments, suggested ways to connect the strategic with operational instruments. Since then, the building blocks of this architecture have been gradually put together, either by strengthening existing tools and policies or developing new ones. By the end of 2021, both stakeholder consultation and desk review by the evaluation team confirm that key strategic and RBM tools, reform policies and initiatives within UNIDO have been slowly and steadily developed, aligned and connected with each other. They include the MTPF, IRPF, results-based P&B, annual management priorities by the DG, department annual work plans, staff performance management (SPM), project monitoring and reporting requirement and a series of reform policies e.g. Quality Assurance Framework in 2019, Accountability Framework in 2021, the Enterprise Risk Management in 2021, Internal Control Framework in 2021, Resource Optimization in Technical Cooperation (ROTC) in 2021, and Monitoring and Reporting Policy in 2021.

This 'massive reform agenda' has led to the issuance of many policies in a short period of time, which have introduced the accountability provisions of UNIDO staff at all levels and put results and performance at the heart of the organization's operations. They also include some enforcement measures to make them work. In fact the Accountability Framework is a good development that puts Results and Performance at the centre of the Organization's governance mechanism and connects the dots among UNIDO's strategies, policies, tools and regulations (see Figure 8). However many staff and managers are not fully aware of this framework and the newly introduced policies which are not much sensitized within the organization. Some stakeholders

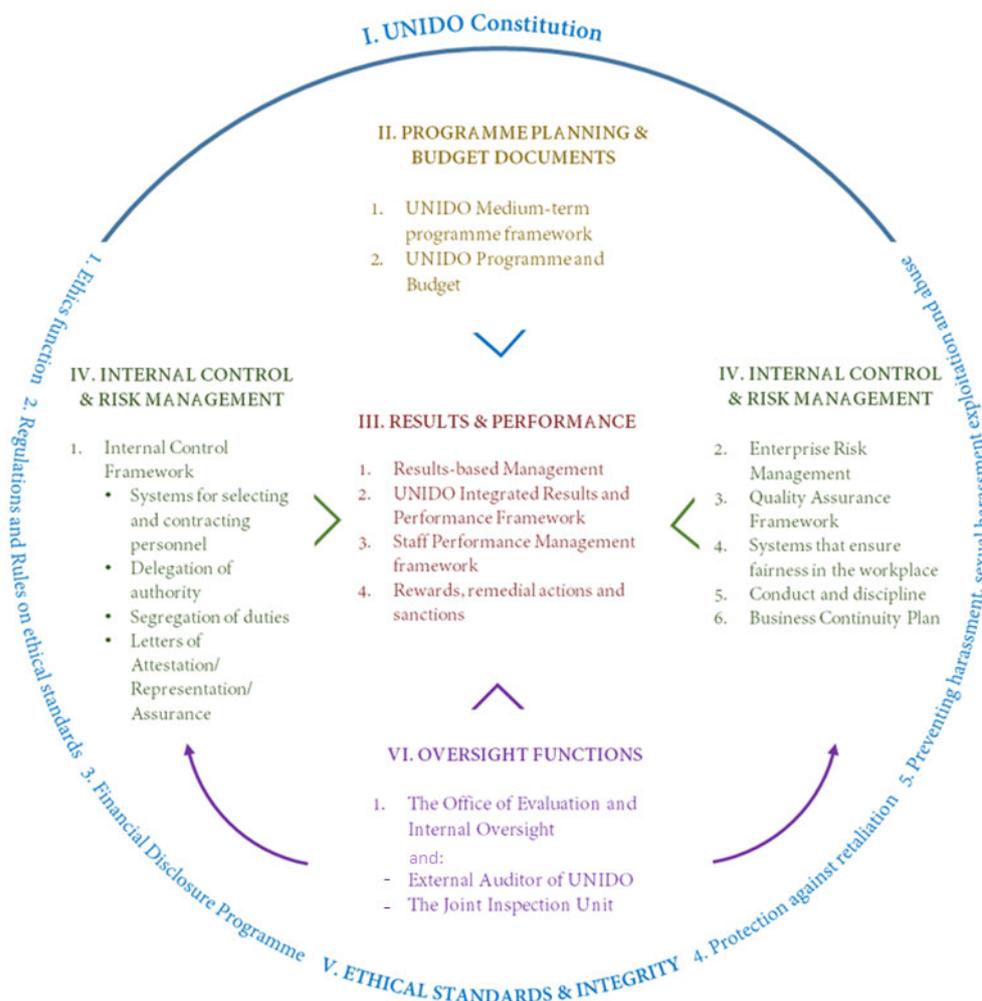
¹⁶ UNIDO 2019. Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2018. <https://www.unido.org/api/opentext/documents/download/14009868/unido-file-14009868>

are of view that as long as it is ‘only a piece of paper’ and is not enforced and implemented, positive changes will not take place.

The MTPF’s alignment with the SDGs and Agenda 2030 and the UN reform process is also seen favourably, but it could be further strengthened. The Enterprise Risk Management (ERM) is considered by some stakeholders as particularly important as it would make the MTPF stronger. In fact, both risks and external factors are a central element of the 2022-2025 MTPF Theory of Change. The introduction of many new tools and reform policies is also seen as a challenge since this has made the overall architecture complex and difficult to understand for staff, who – according to some – struggle to kept up with and internalize the many new policy documents. At the same time, this ‘massive reform agenda’ apparently took away capacity of senior management to engage in the process of developing the new MTPF 2022-2025.

Nevertheless, it is and will be difficult to attribute the positive changes in the organization solely to the MTPF since it does not stand out as being particularly important tool to create such changes.

Figure 8. Integrated accountability system of UNIDO



Source: UNIDO 2021. Accountability Framework

4.5. Integration of functions and scale-up of impact

Summary finding 5: There are several approaches demonstrating efforts to advance the integration of functions and the scaling-up of impact and to some extent the MTPF 2018-21 has contributed to these efforts. However, the Organization faces several challenges in accelerating integration of functions and scaling-up of impact, in particular the rather fragmented project approach which is partly driven by the priorities of funding organisations.

The MTPF 2018-21 had the dual objectives of integration of functions and scaling-up of impact. To achieve the objectives, the MTPF intended to prioritize larger programmes. It also intended to prioritize programmes that integrate the technical cooperation, policy, normative, and convening dimensions of UNIDO's work. Moreover, the MTPF wanted to prioritize closer collaboration between UNIDO Headquarters and field offices.¹⁷

Progress

The evaluation team identified several strategies to integrate UNIDO core functions and to scale up impact. The Programme for Country Partnerships (PCP) is the most prominent approach. Currently, there are 11 countries with a PCP either being implemented or developed.¹⁸ The largest PCP (in Ethiopia) leveraged USD 1.8 billion of parallel funding over a five-year period (2016-2020). Approximately 50% of the parallel funding is from the Government of Ethiopia. The other 50% are from various sources, including the African Development Bank, the World Bank, the European Investment Bank, the European Union, Italy and others.¹⁹ While the impact of these investments has yet to be realized, the expected impact is of a very different scale compared to the traditional UNIDO projects and programmes. An evaluation conducted in 2020 concluded that the PCP Ethiopia has "potentially high impact".²⁰ Moreover, the PCP theory of change shows that the PCP brings together different functions of UNIDO, i.e. technical assistance, advisory role and convening role.

In addition to PCPs, UNIDO has several thematic programmes implemented across several countries. These thematic programmes are designed to provide technical cooperation (including policy advice) on the same topic to several countries.²¹ In addition, they have a global component developing global knowledge products which can be shared with any number of countries. Examples for multi-country programmes are the Global Quality and Standard Programme (GQSP), the Global Eco-Industrial Park Programme (GEIPP) or the Global Cleantech Innovation Programme (GCIP). The GQSP and the GEIPP both have a budget of approx. USD 19m and are operational in 10 (GQSP) and 7 (GEIPP) countries. Mid-term evaluations in 2021 of both programmes found that that the programmes are integrating the different functions of UNIDO and that there are potentials for impact (although still uncertain at mid-point).²²

Another UNIDO initiative launched in 2021 called programmatic services modules (PSMs) can be seen as an effort to integrate the core functions of UNIDO in a more systematic manner. While the

¹⁷ UNIDO, 2017. Medium-term programme framework, 2018-2021, IDB.45/8/Add.2*, paras. 6, 38.

¹⁸ Cambodia, Côte d'Ivoire, Egypt, Ethiopia, Kenya, Kyrgyzstan, Morocco, Peru, Rwanda, Senegal, Tanzania, Zambia (www.unido.org/programme-country-partnership)

¹⁹ Ethiopia Programme for Country Partnership — PCP, Annual Report 2020, UNIDO, 2021.

²⁰ UNIDO, 2020. Independent Terminal Evaluation of the Programme for Country Partnership in Ethiopia (2015-2019).

²¹ The country-level activities of the programmes are organized through country project documents for legal reasons.

²² UNIDO, 2021a. Independent mid-term evaluation, Global Quality and Standards Programme (GQSP); UNIDO, 2021b. Mid-term Evaluation, Global Eco-Industrial Parks Programme (GEIPP).

PSMs are currently under review and not ready yet, they constitute an attempt to standardise the preparation, implementation and monitoring of recurring technical cooperation activities. The service modules can encompass the four functions of UNIDO. While the prime objective is to reduce variation between projects in the same sector or thematic area, as well as to increase efficiency in the time and cost required for project development, the PSMs are premised on the dual objective of integration and scale-up established in the MTPF 2018-21. The above mentioned Global Eco-Industrial Park Programme is classified as pioneering such a programmatic approach.²³

Interviewees also mentioned the UNIDO country programmes (CPs) as an opportunity for a more integrated approach.

In addition, the expanding number of partnerships and deepening collaborations between UNIDO and other actors are portrayed as a means to scale up potential impact, in particular with the UN system, the international financial institutions (IFIs), the European Union, the Global Environment Facility (GEF), the Green Climate Fund and the private sector.

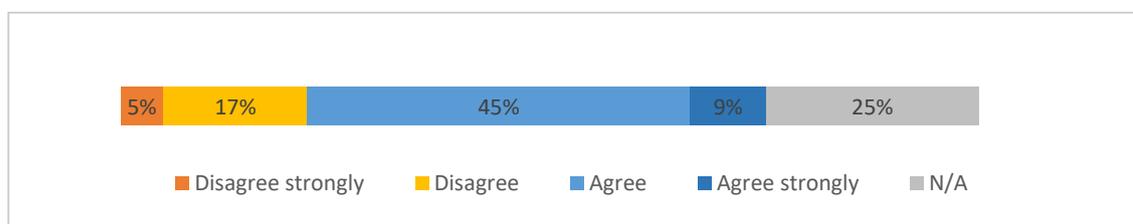
It is relevant to recall that all projects funded by the GEF, which accounts for around 30% of UNIDO portfolio, include a policy component to ensure replication and scale-up once the projects are completed. What is more, all GEF projects require a significant amount of co-financing, which sometimes leads to effective partnerships and to scale up of results.

There is also some progress in enhancing further integration between UNIDO Headquarters and field offices. The evaluation of UNIDO field network found that UNIDO had made some progress in improving the coordination, communication, execution and reporting mechanisms between HQ and FOs. It has helped UNIDO deliver better results on integration of TC staff in the work of field offices where PCPs have been introduced.²⁴

More generally, the MTPF 2018-21 helped to make the concept of integrating the Organization’s four functions and scaling up of development results of UNIDO work more prominent, by making it a management objective of the organization in this period. UNIDO management have paid more attention to this concept. For example, the Director General’s annual management priorities for 2018 and 2019 were integration and scaling up. Several stakeholders stressed that the MTPF has contributed to change the discourse in UNIDO. Integration and scaling-up of impact is now something colleagues talk about.

Overall, most stakeholders interviewed are of the view that the Organisation is (slowly) moving in the right direction. This is confirmed by the staff survey (Figure 9). Over 50% of the staff agrees that there is progress in scaling up of results.

Figure 9: Progress in scaling up of results



Source: Staff survey, evaluation team, 2021 (N=65).

²³ Terms of Reference, Working Group on Programmatic Service Modules, September 2021; Online training for UNIDO staff - Development of programmatic service modules: Introduction and next steps, 15 July 2021.

²⁴ UNIDO, 2019. Independent Thematic Evaluation – UNIDO Field Network.

Challenges

Views among stakeholders interviewed on the extent to which UNIDO has already integrated functions and scaled-up vary significantly. While some are of the view that UNIDO is moving towards more integration and scaling up of impact (for which there is not much evidence), others are of the view that there is no significant improvement and that UNIDO is still highly fragmented following to a large extent the project approach. It was suggested that this is partly because donor countries prefer a project approach and do not adhere to an approach with fewer but larger projects or programmes (like the GEIPP). Donor countries are apparently also not willing to fund PCPs per se, rather they continue to fund technical assistance projects within PCPs. Donor countries are seen by UNIDO staff as giving preference to results in the short- and medium term at the micro or meso level versus long-term results at the macro level (system change). Also institutional donors like the GEF or the Green Climate Fund continue to follow a project approach which UNIDO has to adhere to in order to receive funding.

The UNIDO Open Data Platform shows that by end of 2021 UNIDO had 782 ongoing projects with a total budget of USD 1,390 million.²⁵ On average, the project size is USD 1.8m. This points to a rather fragmented project approach. If all the projects would have a budget of USD 20m (like the GQSP or the GEIPP), UNIDO would only have about 70 “interventions” (or rather programmes), i.e. less than 10% of the current number of scattered projects.²⁶ , which would lead to further integration, focus, strategic approach, enhanced effectiveness and efficiency, and more likelihood for scale-up and impact.

Progress in integrating the four core functions is viewed sceptically by many UNIDO staff. Many view technical cooperation still as the key function of UNIDO while policy advice, norms and standards, as well as convening are still on the periphery and it is apparently not mainstreamed for including in proposals to get donor funding also for those functions.

Some TC staff see a need to move to more programmatic approaches, like the programmatic services modules (PSM) mentioned above - to provide more standardized process and more systematic programme management to make operations more efficient. At the same time, some believe that UNIDO should be bolder in integrating the four functions that are scattered in the house.

Several interviewees stressed that UNIDO does not have sufficient tools to scale-up. So the “how to” scale-up appears also to be an issue.

An important dimension was stressed by several stakeholders. While the IRPF includes indicators for measuring impact, the measurement of these indicators is a major challenge. It should be noted that impact is the result of the efforts of many contributors (Government, private sector, UN system, IFIs, etc.), and, unless measuring contribution to impact is not included in the project monitoring tasks, it will be a challenge to actually assess it.

While the collaboration between UNIDO Headquarters and field offices has improved, there are still several challenges, according to the evaluation of the UNIDO field network. The operational relationship between technical cooperation project staff and field offices staff remains a challenge. Projects are not formally and systematically integrated into the work of field offices.

²⁵ <https://open.unido.org/>

²⁶ It has to be noted that the size of the budget is only a proxy for the potential of scaling up of impact. The volume of a project is not necessarily correlated with impact. A low budget policy advice may have a higher impact compared with a costly equipment-heavy project. Still, both the GQSP and the GEIPP have a strong policy dimension and no component for procuring equipment.

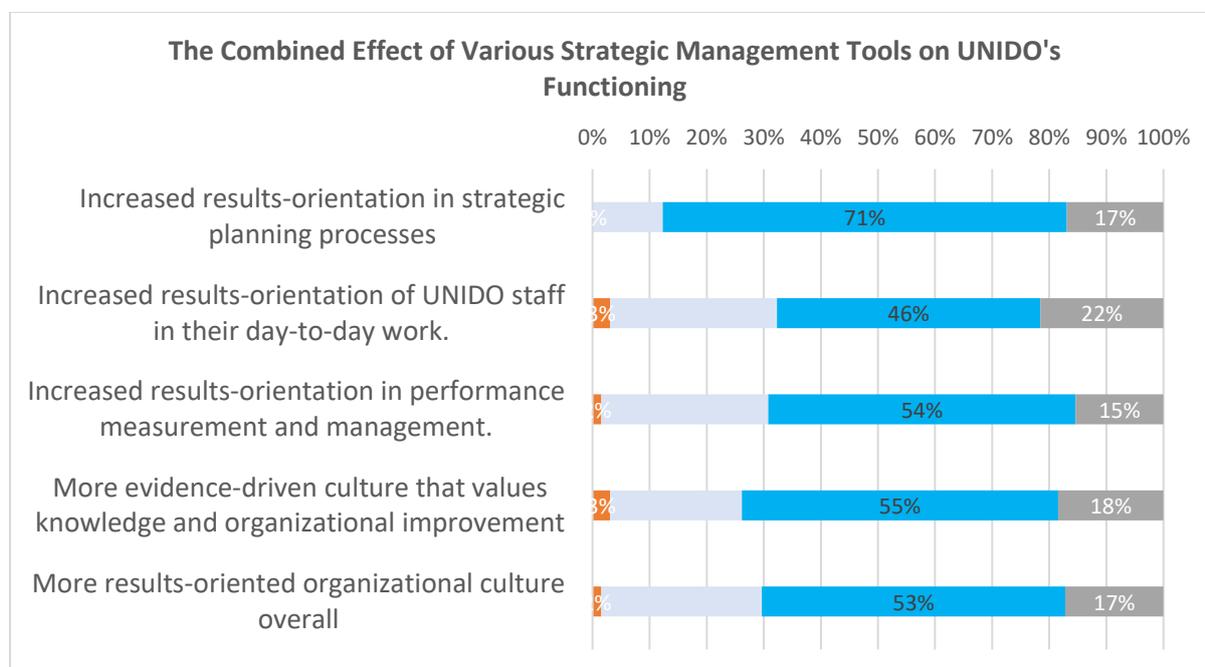
Both the field representatives and project managers are struggling on an ad-hoc basis to determine the extent to which project field staff can and should be integrated into the field office operations.²⁷

4.6. Results-oriented organizational culture

Summary finding 6: An increased attention to results-orientation in UNIDO’s organizational culture is evident. MTPF has started to be embedded in the organization’s processes through policy reforms and pilot initiatives. Positive changes in terms of awareness, attitude, and behaviour of UNIDO staff and management were also reported. However, these changes are yet to get deeply embedded into the culture. The search for funding is still seen as a main feature of UNIDO’s culture. There is a risk that a “compliance culture” is gaining ground instead of a “results culture”.

Desk review indicated that MTPF was being embedded more and more into reform policies and processes of the organization. In addition to IRPF and RBB, many recent UNIDO policies refer and build on the MTPF. These include, for example, UNIDO Enterprise Risk Management policy (DGB/2021/01), UNIDO Accountability Framework (DGB/2021/03), UNIDO Quality Assurance Framework (DGB/2019/11), Resource Optimization in Technical Cooperation (DGB/2021/09), UNIDO Monitoring and Reporting Policy (DGB/2021/14), UNIDO Internal Control Framework (DGB/2021/02). (see also chapter 6.4 Overall architecture and reform policies). An analysis of Executive Board decisions showed that most decisions referenced RBM or some of its core elements such as theory of change or logical framework, which appeared to be a conscious and important step towards inculcating organization-wide results-orientation.

Figure 10. Strategic management tools and results-orientation



Source: Staff survey, evaluation team, 2021 (N=65).

This level of attention in policies has led to increased awareness across the organization, and many interviewees agreed that there was a lot more awareness around RBM now at UNIDO.

²⁷ UNIDO, 2019. Independent Thematic Evaluation – UNIDO Field Network.

Interviewees also suggested a gradual change in the culture and awareness towards more results-orientation, in particular, around UNIDO's contribution to impact. The behaviour was also slowly changing. The introduction of theory of change, the IRPF and the latest results-based P&B 2022-2023 have all played an important role in building this momentum towards increased results-orientation. This has also been facilitated by ODG/SPQ, which has organized several awareness sessions on the IRPF. All these strategic management tools have supported and benefitted from larger and long-term trends, including insistence from donors, for demonstrating results. Interviews further revealed that RBM practices and management are being increasingly applied despite the tension between delivery, fund raising (i.e., dependence on extra-budgetary resources) and results culture. Overall, it is evident that UNIDO staff now see the need to connect their work to the bigger picture, to monitor and report on results, to enhance performance and development results, and to move away from the approval and delivery culture. Interviewees were generally optimistic that the foundation had been laid down, the TOC of the organization had been defined and more emphasis was being placed on development impacts instead of on inputs and activities delivery (disbursement) and funds raising.

Similarly, the survey also revealed that staff were generally very positive on the impact of the above mentioned tools on UNIDO's functioning and culture. Figure 0 shows that staff were most positive on the impact of these tools in terms of strategic planning at UNIDO, which dropped slightly when it comes to performance measurement and management, organizational learning, and daily operations (in that order).

Despite the overall positive assessment among stakeholders, many felt that UNIDO still had a long way to go. Some expressed the concern that UNIDO was more focused on compliance rather than managing for results, which was leading to burdensome focus on reporting that took away precious time of project managers to implement projects. A few felt that there were deficiencies in commitment both at the top and the bottom of the organization.

Another possible weakness that emerged from stakeholder consultations pertained to performance measurement and management. It was evident that staff performance planning and assessment is not yet linked to delivering on expected results. Many felt that the emphasis was more on fundraising, which dictated what UNIDO did. Several interviewees stressed a need for a more vigorous selection process of funding sources. It was suggested that UNIDO should stop taking financial resources which were not in line with the UNIDO priorities or were below a certain threshold (e.g. USD 500,000). Others suggested that if UNIDO were to better reflect Member States' priorities, it might find it easier to raise resources for shared priorities. The other important concern in this regard pertains to excessively broad results expectations (lack of focus). Many interviewees highlighted that the MTPF did not provide enough focus. Because it was still too broad, it prevented the Organization to rally behind a few results. This also meant that MTPFs had little relevance for interviewees' daily work (as everything could be claimed to be related to the results included in MTPFs).

Overall, despite scope for improvements as outlined above, an increased results-orientation across the entire spectrum of organization was found evident.

4.7. Accountability and ownership

Summary finding 7: The sense of ownership and accountability to implement the MTPF 2018-2021 was low at all levels within UNIDO, from the Senior Management, mid-management to staff in the HQ and field. This sense has increased recently thanks to several changes that connect the MTPF, IRPF, P&B, department annual work plans to individual staff work plans; the participatory approach in operationalizing the IRPF and in developing the RBB; and the informal network of individual staffs who are committed to

RBM agenda. However institutionalization and operationalization of accountability mechanism are still needed.

Both desk review and feedback from international and external stakeholders consulted by the evaluation team point to a problematic challenge for UNIDO to implement the 2018-2021. Overall, the accountability for the implementation of the MTPF was not clear, as it appears that everybody but nobody was responsible and accountable. The JIU 2017 report and the 2019 report of the External Auditor all indicated that there was no evident mapping of accountabilities for UNIDO staff and that duplicate and unclear lines of accountability remain a practical challenge to the clear delegation of authority for agile and prompt decision-making at different levels.

Many interviewees did not feel personally responsible for implementing the MTPF. Some interviewees believe that the accountability should rest with the Senior Management, Managing Directors, Directors, Chief and/or ODG/SPQ, but many managers do not see that they are directly responsible for the MTPF implementation. Others are of view that all UNIDO staff members should be responsible, staff at different levels should have different responsibilities, and that the MSs should also be partially accountable. A common view shared by many stakeholders is that there was a low sense of accountability and ownership to implement the MTPF 2018-2021 at all levels of staff within UNIDO, from the Senior Management, to mid-management and staff at large in the HQ and field.

The MTPF 2018-2022 is seen by many as an ODG/SPQ document, rather than a management document, although the accountability to implement it should rest with the Senior Management of UNIDO. Some believe that *'it is important that the Senior Management follow and implement the strategy they approved'*. Overall there is limited ownership of the MTPFs among senior management who actually approved them. It was suggested that this is because the performance management is not aligned with the MTPF implementation; and the process to develop the frameworks was not consultative enough to foster a buy-in, even with the Senior Management. The limited consultation and involvement with internal stakeholders in developing the MTPF 2018-2021 is considered a key reason for limited ownership of staff at all levels. Although the formulation of the 2022-2025 MTPF appeared to be more consultative, some interviewees indicated that surveys and awareness training alone cannot create ownership.

Individual staff performance assessment is not always aligned with the objectives of MTPF, IRPF and P&B. Individual performance objectives are cascaded down from the DG's annual Management Priorities which are not always directly in line with the MTPF, IRPF nor P&B. This situation has made it difficult for staff to see the relationships between their personal objectives to that of UNIDO and their contribution to corporate results.

The feedback from UNIDO staff at country level also reveals limited specific accountability for the implementation and operationalization of the MTPF; partly because the field offices have limited authority; partly because the MTPF is rather vague in describing the field office responsibilities in implementing the framework (MTPF 2022-25, paras 126, 127). It was also expressed that the MTPF and the IRPF are developed with inadequate involvement of the field offices; as a consequence, the ownership is limited.

Recently UNIDO has made a number of new initiatives and efforts to link the MTPF to the work of individual staff. In February 2021, a pilot initiative to develop annual work plan at department level was launched to align the DG's 2021 management priorities and the five result areas of the 2022-2023 P&B with the objectives of the departments. This pilot initiative aims at further strengthening the alignment of UNIDO strategic tools, i.e. the MTPF and IRPF with the P&B document, and eventually the Annual Report. This is anticipated to ultimately connect to Staff Performance Management system. The pilot department work plans are also structured around IRPF indicators to facilitate consistent monitoring and reporting. A monitoring and reporting

mechanism was set up whereby all departments are required to report monthly, quarterly and annually to SPQ. In June 2021, all department heads reported the progress and achievement of their department in implementing the work plans directly to the DG through an Executive Board meeting. While this initiative is seen a good step in the right direction to ensure accountability and RBM at UNIDO, many stakeholders consulted by the evaluation team lamented the high frequency of reporting (e.g. monthly and quarterly), the high amount of time in preparing and reporting on them, and the lack of meaningful feedback and follow-up at the completion of the cycle. Some also pointed to the uncertainty of whether the new DG will be willing to continue this pilot scheme.

Another initiative is the introduction of the UNIDO Accountability Framework, promulgated by the Director General in January 2021, which holds individuals accountable for their actions by defining accountability for UNIDO's personnel at all levels of the Organization. In theory, the framework links UNIDO policies, strategies and instruments including the MTPF together and therefore manages to connect the Organization's expected results in the MTPF and IRPF to the P&B, pilot department annual work plans and the Staff Performance Management and other relevant administrative issuances. In practice, it has not yet been implemented. Like many recent reform policies at UNIDO, it was introduced during the COVID lockdown, without much sensitization and targeted training sessions, leading to the limited awareness and absorption among staff. Although the Accountability Framework is a good development and goes in the right direction, its value will depend on the extent to which it is implemented.

In fact, the Accountability Framework confirms the accountability to deliver the Organization's results for staff at different levels from the Director General to managers and staff:

'The Director General is accountable to the General Conference and the Industrial Development Board for the achievement of results in coherence with, and alignment of, the Organization's objectives, management priorities and workplans...'

'The Director General links the objectives prescribed in the MTPF to the Organization's activities by communicating UNIDO's short-term priorities to management in the context of an annual Board of Directors retreat. These priorities are cascaded down all levels of the Organization...'

'Managers are accountable for aligning the strategic direction and objectives, expected results and activities for their areas of responsibility with the defined priorities, as well as holding themselves, personnel, and external partners accountable. Furthermore, individual accountability is embedded in personnel workplans, which are directly interlinked with programmatic activities, priorities and overall objectives of the Organization'.²⁸

The more participatory approach to develop IRPF indicators and the 2022-2023 Results-Based Programme and Budget (RBB) whereby a task-force was set up, consisting of representatives from all department of the house, but not the staff from field offices, has proved to be much preferred and to lead to more buy-in by staff and managers.

The consultation with UNIDO stakeholders also indicates that there are a number of individual staff members who are committed to RBM and have consistently and persistently pushed to advance the RBM agenda within UNIDO through their own personal network within the organization. While their efforts are commendable, it also reflects the lack of leadership and proper institutional mechanism to implement the MTPF and drive the organization towards performance and results culture.

²⁸ UNIDO 2021. Accountability Framework

In summary, a higher sense of accountability to implement the MTPF has gradually increased to some extent within the organization, thanks to the participatory approach in developing IRPF indicators and RBB; the linkage between the MTPF to many reform policies and initiatives; and the efforts to communicate more on the MTPF and IRPF. However there is still a lots to be done to increase and institutionalize the accountability and ownership of UNIDO staff to implement the MTPF.

4.8. Financial and human resources

Summary finding 8: MTPFs are linked to financial and human resources via the Programme and Budget. The P&B 2022-23, which is results-based, attempted to make this linkage more explicit. Despite some notable progress, major changes in human and financial resources allocation across UNIDO were not yet visible. Further, most stakeholders were unclear on the criteria for how staff and financial resources are allocated and prioritized, and felt a disconnect between results expressed in MTPFs and resources allocation decisions. To a large extent, the MTPF reflected the current Organization rather than a vision of a future UNIDO.

Though MTPFs provide a broad strategic framework, they are not directly linked to resource decisions at UNIDO. It is through the Programme & Budgets that UNIDO operationalizes the results expressed in MTPFs. P&B 2022-23 made the biggest effort yet to make explicit the link between the expected results and resource allocations. Figure 11 shows how UNIDO visualizes the connection between UNIDO's theory of change, expected results and resource allocations. As stated in the P&B 2022-23:

“The proposed programme and budgets align the programme and management priorities, and results framework to UNIDO’s MTPF 2022–2025 (see figure), which builds on the organizational Theory of Change introduced in the MTPF 2018–2021. In particular, this programme and budgets is consistent with, and reinforces, the management objective of integration and scale up of results, which remains the guiding direction of the Organization for the next two biennia. This programme and budgets proposal espouses the integrated results performance framework (IRPF) actor-based, behavioural change model, and addresses the strategic outcomes of strengthening knowledge and institutions, which in turn enables the achievement of ISID at the impact level, in its economic (economic competitiveness), social (shared prosperity from industry) and environmental dimensions (environmentally sustainable industry). It remains aligned to the 2030 Agenda for Sustainable Development, as well as taking into account the reform of the United Nations development system (UNDS) and the Decade of Action to deliver on the 2030 Agenda” (p.2).

This effort is also evident from Table 1, which seeks to project resource allocations according to the five expected results areas (Figure 11). Some evidence to realign resources can also be seen in this document, which is exemplified in the text below:

“Changes in staff cost and the post structure

- (a) The increase in regular budget staff cost emanates from position upgrades made to strengthen the delivery of technical cooperation services and provisions made for adjustment to one position in the Directors’ category, upgrades of General Service positions to the Professional level to increase professional capacities and accountability;*
- (b) In the operational budget, four additional Professional-level positions are included to boost capacities under the Digitalization, Technology and Agri-Business and Programme, Partnerships and Field Coordination Directorates, in addition to position upgrades, as well as adjustment to two positions in the Directors’ category; and*

(c) Details of the composition of posts are presented in Table 5 and Annex C.

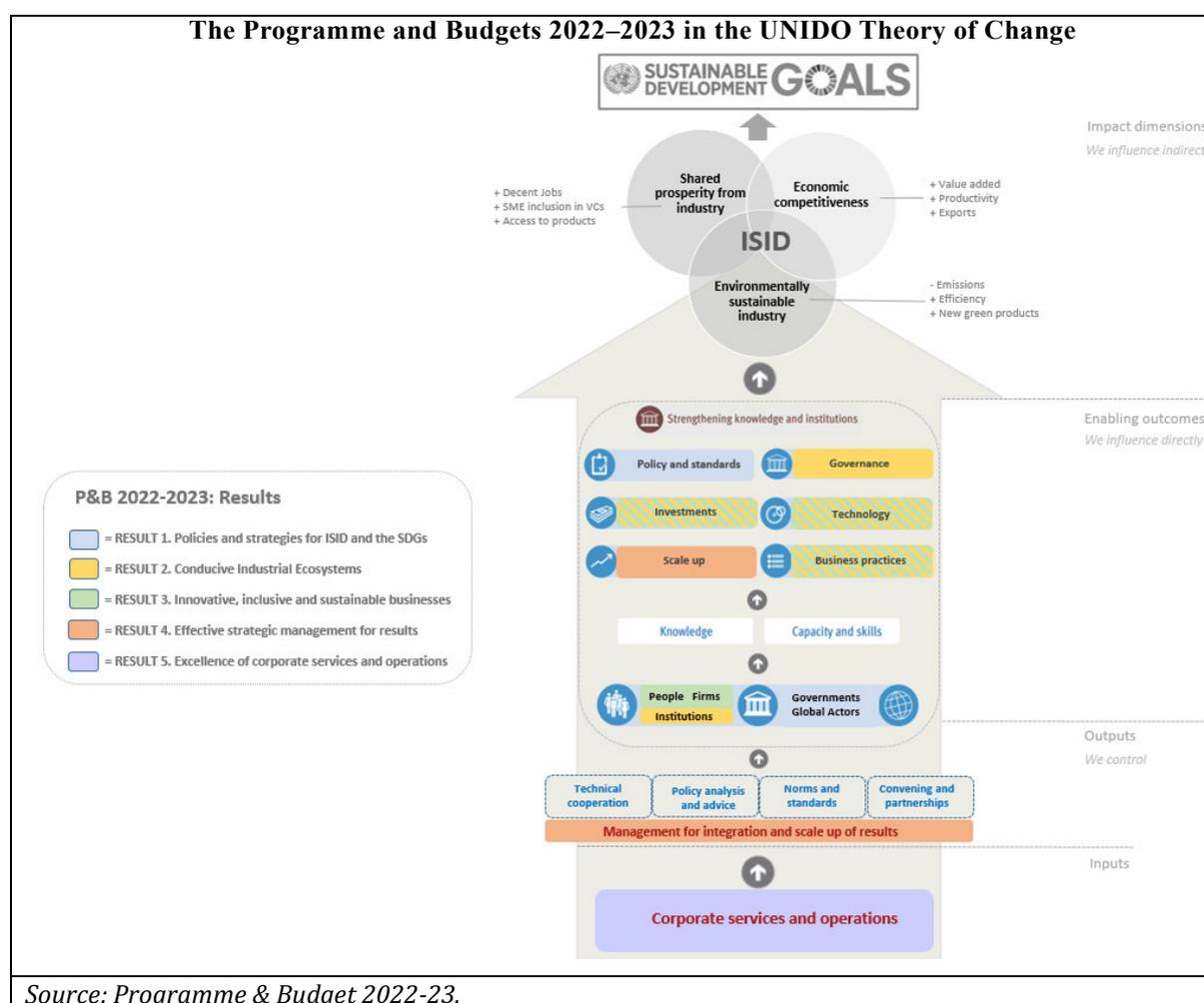
Information technology and communication

45. Under the current model of business delivery dictated by the COVID-19 pandemic, it is paramount to strengthen and secure the IT landscape of UNIDO for an effective and efficient delivery of IT services across the Organization. In this respect, an increase of €1.1 million for IT is estimated in the budget proposal” (p.8).

However, the P&B document itself acknowledged that:

“Further work will be needed to fully align workplans and programme strategies of each Directorate, in compliance with best practices and the UNIDO Accountability Framework, and in line with the MTPF and recommendations by the External Auditors, internal oversight and independent evaluation functions” (p.5).

Figure 11. UNIDO Theory of Change, MTPFs and Programme & Budgets



Thus, there is recognition that this is just the start of the process of aligning resource allocations to expected results, and hence operationalize the MTPF through the P&B. This was also very clear from stakeholder consultations and survey that MTPFs have yet to trigger major changes in human and financial resources allocation at UNIDO.

It was apparent that UNIDO had not yet undertaken major efforts to realign its organization structure or resources according to priorities outlined in the MTPFs or other strategic management tools such as results-based budget for 2022-23. The attempt had rather been to map or fit all on-going projects and activities under the umbrella of various results foreseen in the MTPFs. This meant that to a large extent, the MTPF reflected the current Organization rather than a vision of a future UNIDO.

Table 1. MTPF 2022-25, intended results and budget for 2022-23

Proposed expenditure and income by Result for 2022–2023 with comparative data for 2020–2021					
(In euros)					
	<i>2020–2021 approved budget^a</i>	<i>2022–2023 resource growth at 2020–2021 rates</i>	<i>2022–2023 resource requirements at 2020–2021 rates</i>	<i>Recosting to 2022–2023 rates</i>	<i>2022–2023 resource requirements at 2022–2023 rates</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1. Regular and Operational Budgets					
1. Policies and strategies for ISID and SDGs	45,100,891	1,224,254	46,325,145	927,585	47,252,730
Income	(607,900)	394,700	(213,200)		(213,200)
Net requirements	44,492,991	1,618,954	46,111,945	927,585	47,039,530
2. Conducive industrial ecosystems	28,516,070	44,279	28,560,349	593,085	29,153,434
Income	(607,900)	394,500	(213,400)		(213,400)
Net requirements	27,908,170	438,779	28,346,949	593,085	28,940,034
3. Innovative, inclusive and sustainable businesses	24,830,647	(893,532)	23,937,115	469,595	24,406,710
Income	(607,800)	394,500	(213,300)		(213,300)
Net requirements	24,222,847	(499,032)	23,723,815	469,595	24,193,410
4. Effective strategic management for results	21,814,195	894,950	22,709,145	477,535	23,186,680
Income	(607,900)	394,500	(213,400)		(213,400)
Net requirements	21,206,295	1,289,450	22,495,745	477,535	22,973,280
5. Excellence of corporate services and operations	33,184,114	1,231,300	34,415,414	538,400	34,953,814
Efficient VIC buildings management	57,728,200	(5,926,800)	51,801,400	1,451,300	53,252,700
Income	(57,728,200)	5,926,800	(51,801,400)	(1,451,300)	(53,252,700)
Net requirements					
Miscellaneous income	(416,100)	(4,001,054)	(4,417,154)		(4,417,154)
Savings and efficiency gains	(942,223)	942,223			
Income from other sources	(1,673,545)	1,673,545			
Indirect cost	28,513,294	(754,120)	27,759,174	384,600	28,143,774
Total regular and operational budgets	176,495,843	1,940,045	178,435,888	3,390,800	181,826,688

Source: Programme & Budget 2022-23.

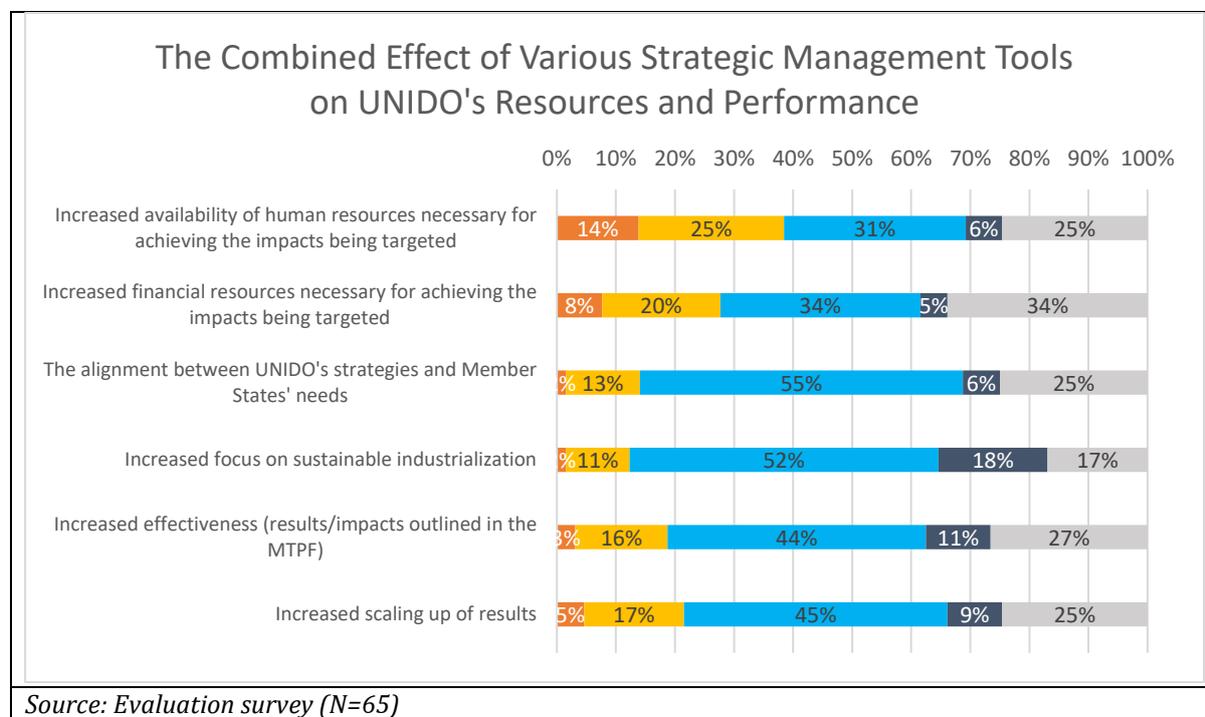
This was also confirmed in stakeholder consultations and survey (see Figure 12), which suggested that only modest adjustments to resource allocations had yet been made to realign resources to expected results. A major challenge in adjusting resources was UNIDO's dependence

on extra-budgetary resources, which amount to about 65% of total budget: 345 million out of 527 million Euros is earmarked for specific technical cooperation portfolio. The remaining regular and operational budget is also small and inflexible in nature because it is meant for basic routine operations. Approximately, 75% of the regular budget is for staff costs. Thus, despite the recognition of a need to realign resources, it has been difficult to achieve this in practice. The result is that the MTPF mostly reflects what UNIDO had already been doing. Further, as most of the projects and programmes funded by voluntary contribution often last four to five years, not much change from one MTPF to the next is possible. Change can only happen over time.

Stakeholder consultations also suggested that there was no clear understanding on how human and financial resource allocations were made. The evaluation of the UNIDO's field network, similarly, noted that:

“Human and financial resources currently available to UNIDO field network and FOs are generally not commensurate with the duties assigned to them in their terms of reference. It also finds that the available field (and HQ, given their interdependence) resources could be organized in a more optimal manner, though it requires making some tough political choices. The actual FOs operations are heavily dependent on the level of personal initiative of field staff, and ad-hoc relationships with HQ staff, especially with respect to tapping TC financial and human resources. Moreover, resource allocations are made in a somewhat ad hoc manner and there is currently no formal integration of TC resources into FO operations. As the roles and expectations from field offices have undergone change over time (some field representatives were hired only to provide general representation and lack capacity for TC work), some field offices are especially inadequately equipped with the skillset and capacities needed to discharge their changed roles and functions.”

Figure 12. MTPFs and resources for results



That said, stakeholders acknowledged that at least the consultative and participatory process used in developing the results-based 2022-2023 P&B itself was a welcome development. These stakeholders also believed that the RBB was forcing everyone, especially at mid-level and senior management, to talk about the MTPF and that it would eventually be a game-changer for UNIDO.

These interviewees further suggested the need for increased consultations with Member States as resource reallocations cannot happen without their approval. Thus, incorporating a fundraising strategy to mobilize resources for changing needs also emerged as one of the key points of discussion. This would build on the successful model piloted in some PCPs, which are intended to “pave the way for a more effective engagement of the Organization with financial institutions, businesses and governments at the highest level, as well as the international community at large towards the common goal of increased ISID impact.”²⁹

4.9. Monitoring and reporting

Summary finding 9: The integrated results and performance framework is a major conceptual improvement in terms of results monitoring and reporting. The IRPF and the Annual Report 2020 are considered good accountability tools that are being fine-tuned, improved and implemented. There are still major challenges for UNIDO to monitor and report on performance and results.

Assessments by both external and internal bodies to UNIDO, namely the 2018 report by the External Auditors, 2019 Synthesis by UNIDO Independent Evaluation Division, and internal audits all pointed to a weak Monitoring and Reporting (M&R) system at UNIDO, especially at corporate level. The 2018 Report of the External Auditors found that *‘there was no corporate guidance on the monitoring and reporting on the MTPF to inform UNIDO and its stakeholders of the progress or achievement of planned results.’*³⁰ These assessments also indicated many discrepancies and weaknesses for monitoring and reporting on the results of MTPF through the IRPF and the fact that the results planned in the P&B were not monitored and reported on. The evaluation team’s desk review also shows that the mid-term review of the 2018-2021 MTPF was not a “review” in the sense of an assessment or monitoring; rather, it was an update with the introduction of external factors to the theory of change. Nevertheless, both the External Auditors and evaluations acknowledged that some efforts and initiatives are being made to improve the situation.

By the time the evaluation team consulted key stakeholders in December 2021, most of them consider that the IRPF and the Annual Report are good accountability tools and that they are being fine-tuned, improved and implemented. They have been around for some time but have been actually being used and improved recently. The IRPF is seen as a major step for UNIDO to move to a results-based reporting and the point of reference in UNIDO now. It has been useful to measure UNIDO corporate scorecard and results and has resonated very well with both the MSs and UNIDO staff. It is credited to help UNIDO to tell a performance and results story, instead of only financial figures for disbursement. Several stakeholder expressed the positive view that the in-house discussion has shifted: now people talk about impact. The integration of SDG indicators in the IRPF is praised by many as this shows how UNIDO contributes to the Agenda 2030. Although there are still many challenges with indicators and aggregation of results from project, country to corporate level, the organization has now something that measures what it does and helps guide UNIDO staff.

The Annual Report 2020 is seen by many stakeholders as an improvement and was well received by Member States. It actually reports on the indicators from the IRPF to demonstrate the achievement of MTPF results. The reporting on the MTPF allows Member States to go back to

²⁹ UNIDO 2021. Programme & Budget 2022-23, p.23.

³⁰ UNIDO 2019. Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2018. <https://www.unido.org/api/opentext/documents/download/14009868/unido-file-14009868>

parliaments with information on what the organisation has achieved. This is important and is improving. At the same time, it is seen as a good instrument for advocacy.

The pilot annual departmental work plans in 2021 and the associated monitoring and reporting mechanism are also seen as a positive step towards corporate results measurement as they are linked to the DG's 2021 annual management priorities, five result areas of the 2022-2023 P&B (although the P&B should not have been operational till 2022) and to the IRPF indicators.

It is recognized that aggregation of results from project to corporate level is a good move to demonstrate the contribution of the organisation, but is difficult at the same time. Stakeholders stress several challenges to report on the indicators in the IRPF:

- The difficulty to align indicators at the project level with IRPF indicators.
- There are still many indicators that need to be fine-tuned.
- The lack of capacity (i.e. know how) among staff in terms of (a) defining measurable indicators at the project level and (b) monitoring skills, i.e. where to get reliable data.
- The lack of targets in many project documents
- The availability of data.
- The significant time, human and financial resources required for data collection and reporting.

From interviews with stakeholders, it is apparent that the commitment and ownership to measure and report on IRPF need to be improved. As a matter of fact, 67% of UNIDO staff surveyed by the evaluation team stated that they were not engaged or not engage at all in the monitoring and reporting of the MTPF 2022-2025. Since M&R has been a consistent weakness at UNIDO, there is a huge lack of M&R capacity within the organization. It is acknowledged that the next few years will be the crucial years to fine-tune M&R tools to make them work and ensure the targets are being achieved.

The IRPF has been highly appreciated by many internal and external stakeholders and is credited as presenting a realistic link to the work of individual staff, development projects and programmes to UNIDO corporate scorecards, despite the need to further fine-tuning the indicators and M&R system. The Annual Report also resonates well with the MSs as it reports the progress of the MTPF and IRPF indicators.

There is a consensus among the stakeholders that it is important to make the monitoring and reporting of corporate results work and make it simple and easy to understand. It is a substantive improvement and massive effort of the organisation to raise the awareness among staff and connect all the documents and tools together. In fact, 69% of staff surveyed by the evaluation team stated that the 2018-2021 MTPF has helped improve monitoring and reporting of UNIDO's performance, while around 70% use the 2018-2021 MTPF for monitoring results and contribution from their work.

4.10. Consultation process of the new MTPF 2022-2025

Summary finding 10: While the consultation process for the new MTPF 2022-25 was an improvement compared to the previous process for the MTPF 2018-21, the consultation process was still not adequate for a strategic document like the MTPF.

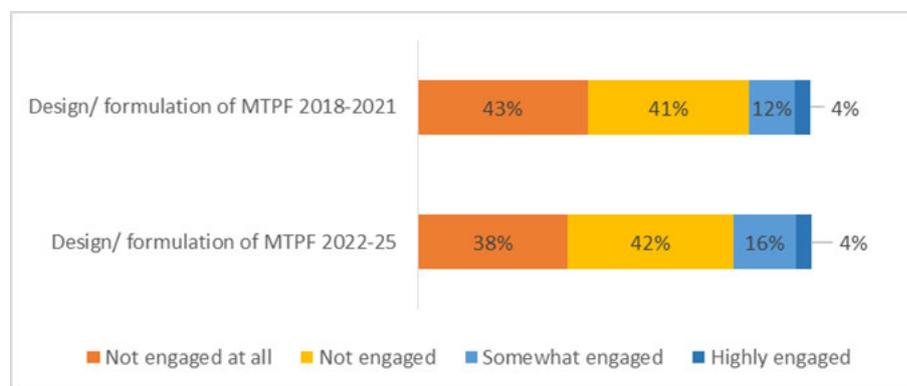
Overall, the consultation process for the new MTPF 2022-25 is seen by many interviewees as an improvement compared the previous consultation process for the MTPF 2018-21. By conducting several surveys, UNIDO staff member at HQ and field offices, Permanent Missions in Vienna as

well as government counterparts were consulted. Many interviewees appreciate the UNIDO staff survey in which 156 staff member participated.

However this process was not ideal as the 2022-2025 MTPF was formulated in a short period of time, between November 2020 till February 2021, and by a small group of UNIDO staff, therefore did not allow meaningful engagement and debate even among the senior members of UNIDO Executive Board, not to mention mid-level management and staff at large (some member of Senior Management had one week to provide comments). Recently, ODG/SPQ made several attempts in late 2021 to present the 2022-2025 MTPF and explain the IRPF to UNIDO staff both in the HQ and the field. Although these initiatives are highly appreciated, evidenced by the high number of participants (from 250 to 350 participants per session), they are not sufficient to build awareness and eventually ownership of the Senior Management and staff. As a result, some staff members consulted did not know about the new MPTF and where to find them. Neither the full version of the MTPF nor its brochure have been shared with UNIDO staff officially.

The favourable view expressed by interviewees is somewhat contradicted by the staff survey conducted for the present evaluation. 80% of the respondents say that they were not engaged in the design process of the MTPF 2022-25. This is only a slight improvement compared with the consultation process for the previous MTPF 2018-21 of which 84% of the respondents say that they were not engaged (Figure 13). Similarly, only 25% of the respondents think that UNIDO effectively engaged staff in the MTPF 2022-25 formulation, while only 17% say that they personally participated in some form of consultation in the design of the MTPF 2022-25 (Figure 14). This suggests that staff beyond key informants selected for this evaluation may not have been equally engaged.

Figure 13: MTPF design process



Source: Staff survey, evaluation team, 2021 (N=76).

However, there were also several issues raised during interviews. There is the issue of timing. The consultation process should have started much earlier. Views were expressed that the preparation process should have started a year or even 1.5 years earlier. Moreover, the time to review the draft MTPF was considered as too short.

The depth of consultation is seen as not satisfactory. A survey is not seen as sufficient to really engage stakeholders and create ownership. There was very little meaningful discussion taking place and an in-depth consultation process did not occur. For example, while the Executive Board approved the MTPF 2022-25, the view was expressed that the EB was not really involved in developing the MTPF. In the voice of one EB member: *“It came last minute and there was no room for change.”*

Several stakeholders stressed that the participatory approach for developing the Programme and Budget 2022-23 was not only seen as more important, but it also absorbed much attention of staff and management until March 2021. The consultation process for the P&B started before the

MTPF and is seen as a very consultative process, much more than the MTPF. It appears that the MTPF was more an add-on to the P&B.

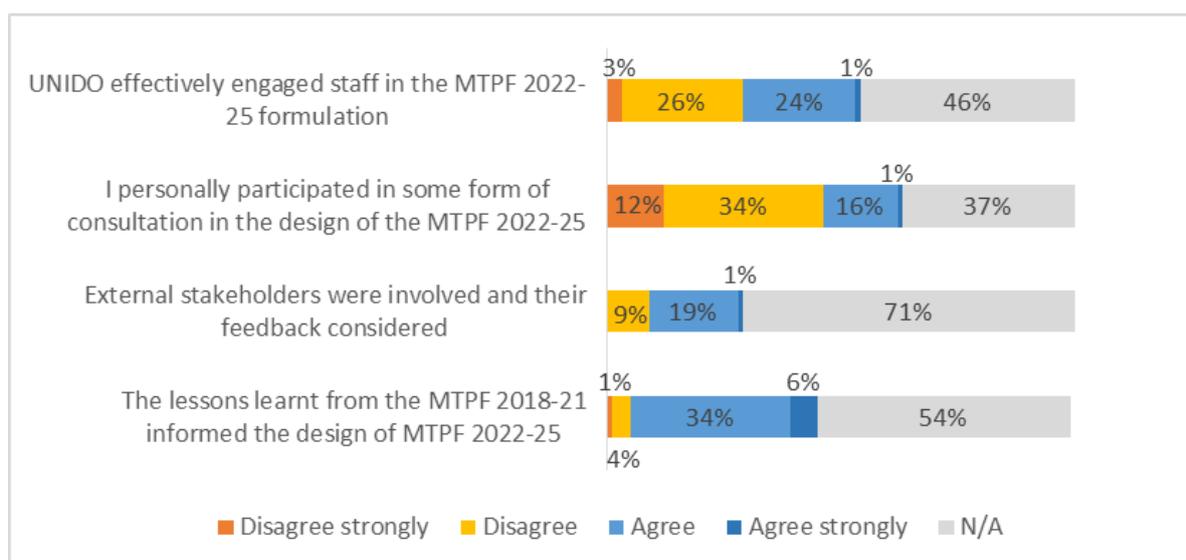
A more general observation made by several staff was that there are many processes taking place at the same time “competing” for staff attention and time. Moreover, the massive reform agenda took away capacity of senior management.

The involvement of the UNIDO field offices in the consultation process for the MTPF 2022-25 was also limited. This is a view shared by field offices and HQs. While some participated in the survey, they did not really engage (see also section 11 on the role of field offices).

As we have seen above, the involvement of Member States in the design process and in contributing to the shaping of the new MTPF 2022-25 was very limited (see section 3 for more on the role of Member States in the design process).

In general, there was limited consultation with external stakeholders. Only 20% of the respondents of the staff survey think that external stakeholders were involved and their feedback considered, while 71% could not express a view on this question (Figure 14). For example, there was no consultation with industry representatives, other UN agencies or major donors. One interviewee recalled that in the past UNIDO had a strong consultation system with the private sector on sectoral issues which was apparently dismantled in 1997.

Figure 14: MTPF 2022-2025 consultation process



Source: Staff survey, evaluation team, 2021 (N=68).

What is more, the present evaluation of the MTPF – in itself a consultation process – is seen by several stakeholders as taking place too late as the new MTPF 2022-25 has already been designed. It would have been beneficial to have the evaluation conducted one year earlier in order to draw lessons which could feed into the design of the new MTPF. Even more so, since the mid-term review of the MTPF 2018-2021 (March 2019) was not a review in the sense of an assessment, but rather a supplement to the MTPF 2018-2021.³¹ Several interviewees stressed the lack of an

³¹ “The present review of the MTPF 2018–2021 completes the organizational theory of change by identifying the external factors, including assumptions and preconditions, to the impact pathway...”. Mid-term review of the medium-term programme framework 2018–2021, UNIDO, March 2019, IDB.47/10–PBC.35/10., para. 3.

established consultation process (e.g. guidelines) for the design of a new MTPF which would clearly spell out the sequencing and timeline.³²

Still, 40% of respondents of the staff survey are of the view that lessons learnt from the MTPF 2018-21 informed the design of MTPF 2022-25 (Figure 14).

This somewhat critical analysis is in line with the self-assessment made by ODG/SPQ. It concluded that *“The drafting of the MTPF document was certainly a rushed job (less than two weeks) and could have possibly been more concise”* and *“Surveys were conducted quickly and with little time to digest their results”* and *“The production time [of the MTPF] clearly collided with that of the P&B and the AR/IRPF data collection.”*³³

4.11. Role of Field Offices in implementing the MTPF and alignment of MTPF with UN reform

Summary finding 11: Both MTPFs under review recognize the importance of field offices for the implementation of the MTPF and for ensuring collaboration with the UN system. Also, over the past few years, some efforts were made to strengthen the field office network and to improve collaboration with the UN system. However, the field office network remains rather weak and the involvement of UNIDO field offices in designing and implementing the MTPFs is limited.

Field offices in the MTPFs

The MTPF 2018-21 recognized the importance of the field offices.³⁴ It stated:

“The efficiency and effectiveness of UNIDO’s field network will continue to be essential for improving the Organization’s performance and impact toward ISID and the SDGs. This will become increasingly important due to the provisions of the most recent QCPR resolution, which calls for a more integrated and coherent system-wide approach to support the implementation of SDGs at the country level....”

Similarly, the new MTPF 2022-25 recognizes the importance of the field offices.³⁵ It states:

“UNIDO’s field network is a key asset for the Organization to maintain close cooperation with Member States and stakeholders at the regional and country level, to best address their priorities towards ISID and the SDGs. Field Offices and Regional Hubs play a central role in ensuring programmatic coherence and strategic alignment at country and regional levels, and are a crucial success factor of the PCPs, among other initiatives. The field network is also fundamental to ensure collaboration with other United Nations entities, stakeholders and development partners, and to help scale up and replicate successful country-level initiatives. At the same time, the field network is instrumental in strengthening UNIDO’s contributions within the United Nations development system reform, ensuring more systematic cooperation with the UNRC offices and UNCTs...”

³² E.g. such guidelines could for example determine when an MTPF evaluation should be conducted.

³³ Medium Term Programme Framework 2022-2025 - Lessons from the preparatory process - Internal discussion - 19 April 2021 (Power Point Presentation).

³⁴ Medium-term programme framework, 2018-2021, UNIDO, 2017, IDB.45/8/Add.2*, paras. 77, 78.

³⁵ Medium-term programme framework 2022–2025, UNIDO, 2021, IDB.49/8-PBC.37/8, paras. 126, 127.

Progress

It emerges from the interviews with UNIDO staff that the field offices are seen as very important for the implementation of the MTPFs. As an example mentioned several times were the PCPs which depend on strong field offices or strong field presence.

In particular, it was stressed that the experience and learning from the past two years during the COVID-19 pandemic have demonstrated the crucial role of field offices in continuing project implementation and developing new projects as neither UNIDO staff nor international experts were able to travel internationally. The important role of field offices during the pandemic was also highlighted in the UNIDO Annual Report 2020: “UNIDO has also actively contributed to the joint response of the United Nations system, in particular by providing advice and expertise in the formulation of SERPs³⁶. All UNIDO field offices engaged systematically and actively in this important exercise, working with United Nations Country Teams...”.³⁷

During interviews conducted for this evaluation, several areas of improvement were mentioned: new terms of reference for UNIDO field offices aligning with the reform process, quarterly regional conferences, weekly meetings with HQ and field offices, once a year meeting field network and TC, or training programmes for field office staff.

In addition, some field staff is positive about the IRPF which - according to their view - has made the connection to the MTPF much clearer and it is better at giving the direction and attribution to the corporate results. The IRPF is seen as solid with clear KPI according to some. It is helpful in strengthening reporting on corporate results and help in justifying UNIDO’s role vis-à-vis national counterparts, donors and UN agencies.

The UNIDO staff survey conducted for this evaluation shows that close to 60% of staff is of the view that UNIDO has improved the collaboration with partners in the UN system and other multilateral organisations (Figure 15), which to a large extent depends on the collaboration at the country level.

Figure 15: Collaboration with partners



Source: Staff survey, evaluation team, 2021 (N=65).

The evaluation of the UNIDO field network pointed to several areas in which UNIDO has strengthened the field network (Box 3).

Box 3: Evaluation of the UNIDO field network

- UNIDO has made a significant progress in improving the coordination, communication, execution and reporting mechanisms between HQ and field offices.

³⁶ United Nations Socioeconomic Response Plans.

³⁷ UNIDO Annual Report 2020, UNIDO, 2021, p. 7.

- The latest restructuring, which led to change of the management of the field network to PTC Directorate has fostered better integration and synergies.
- Recent changes in guidelines and handbook have also provided increased clarity to the staff.
- Outstanding examples of commitment and initiatives concerning the participation of UNIDO Representatives in the United Nations Country Team and United Nations Development Assistance Framework and its successor United Nations Sustainable Development Cooperation Framework processes.

Source: Independent Thematic Evaluation – UNIDO Field Network, UNIDO, 2019.

Challenges

Despite some progress in strengthening the role of the field offices in implementing the MTPF, major challenges remain.

Interviews with UNIDO staff at country level reveal a limited sense of accountability for the implementation of the MTPFs. It was argued that this is partly because the field offices have limited authority, and partly because the MTPFs are rather vague in describing the field office responsibilities in implementing the MTPF.

The view was also expressed that the MTPFs and the IRPFs were developed with limited involvement of the field offices which leads to a limited ownership. This is a view shared by staff from field offices and HQs. While some participated in the survey for developing the new MTPF 2022-25, they did not really engage in the design process. This is partly due to the heavy work load (some regional directors are responsible for up to seven countries) and partly because there was no opportunity for an in-depth engagement.

However, field offices made a point that they know the needs of programme countries best. The view was widely shared by staff from HQ and field offices that the knowledge, experience and contribution from field staff would enrich the MTPFs, make it more relevant to both the national governments and donors who decide funding from the field (instead of the HQ), and - more critically - would enhance the buy-in and commitment from the field staff to implement the MTPF. There is a call for a more bottom-up approach to develop the MTPFs.

More generally, it was pointed out that hardly any field staff was appointed as members of any committees or task-forces at the HQ. The participation of field offices in the development and formulation of reform policies is limited, reflected in limited understanding of the field operations and making new policies less relevant to the field work.

It was suggested in interviews that for field staff who never worked at UNIDO headquarters or lack an informal network at HQs, it might be a challenge to fully understand the MTPF and its implications for the work at the field level. The MTPF is considered as a high-level concept which cannot so easily be linked to the daily work at the country level.

Related to this is the view that the MTPF is a global instrument which is not customized to different regions where UNIDO works, with different contexts, needs and priorities (e.g. there is a huge focus on industrial development in Latin American, while agro-industrial development is more important for Africa). There was a call to contextualize the MTPFs to the regional levels.

Finally, some stakeholder shared the view that the MTPF does not sufficiently define UNIDO's role in the UN System. It is not clear to what extent UNIDO field offices should engage in the goal setting of the UN System at country level. Moreover, a clear strategy explaining the integration of UNIDO in the UN System is missing including the coordination with HQs.

The field network evaluation found that most field offices have one professional – the head of office – and one support staff, which is not commensurate with duties assigned to them. The limited field presence affects UNIDO’s capacity to increased stakeholder engagement in the field which is required for key programming approaches such as the programme for country partnership (PCP) and the country programmes (CPs). This is expected to get even more challenging for UNIDO with increasing demand arising from Member States under the aegis of UN system wide reforms.³⁸ Several stakeholders stressed in interviews for the present evaluation that integrating UNIDO’s work in the UN development system offers a great potential to scale up impact, one of the MTPF objectives, and that this mainly happens at the country level.

However, the external auditor found that UNIDO does not have a field office in around 54 per cent of the 134 countries where it delivered projects in 2020. Moreover, the number of projects in countries that have no UNIDO offices is significant (about 34 per cent, or 247 projects).³⁹

5. Conclusions and Recommendations

5.1. Conclusions

This evaluation has three main evaluation subjects:

- Design and formulation of the MTPF 2018-2021 and MTPF 2022-2025
- Implementation of the MTPF 2018-2021
- Results of the MTPF 2018-2021

Design and formulation of the MTPF 2018-2021 and MTPF 2022-2025

The MTPF (including the theory of change), IRPF and P&B are the troika of strategic management tools that together constitute the programme design of UNIDO. These tools have helped establish an improved results chain between UNIDO’s work and its expected development results at global and country level, and to its organizational performance.

The MTPF and its theory of change provide coherent vision and mission for UNIDO at a general level. The thematic priorities are valid and are largely consistent with Member State priorities related to the Agenda 2020.

At a more day-to day operational level, the guidance provided by the MTPF and its theory of change is rather generic and of limited operational use with regard to the selection of approaches to achieve the thematic priorities. The Programme and Budget 2022-23 is more useful and realistic in this regard. While the MTPF is broad in describing strategic priorities, IRPF goes directly in defining indicators. The P&B 2022-2023 bridges this gap across these documents and brings the different tools together, with specific targets while also reflecting required resources. However, the five results areas of the Programme & Budget introduce a different structure compared to the MTPF and IRPF. In that sense, the MTPF and the Programme & Budget are not fully consistent. The logical model underlying the overall results framework (MTPF, IRPF and P&B) still shows important weaknesses as no clear definition of results and outcomes can be found especially at higher levels of theory of change. None of the documents (MTPF, IRPF and

³⁸ Independent Thematic Evaluation – UNIDO Field Network, UNIDO, 2019.

³⁹ Report of the External Auditor on the accounts of the United Nations Industrial Development Organization for the financial year 1 January to 31 December 2020, Accounts Chamber of the Russian Federation, 2021, p.27.

P&B) provides a comprehensive **logic-model overview** with clearly delineated objectives, outcomes, indicators, data sources and collection methods. Therefore, there is a need to better align the different instruments and to establish a single comprehensive logic-model. Moreover, there is also a scope to simplify and shorten the MTPF.

While the formulation process for the new MTPF 2022-25 was an improvement compared to the previous process for the MTPF 2018-21, the consultation process with UNIDO staff, UNIDO field office, Member States and other stakeholders was still not adequate for a strategic document like the MTPF. The duration of the design process for such a strategic tool at the corporate level was too short and did neither allow for in-depth dialogues with UNIDO staff members and Member States nor with stakeholders outside of UNIDO, especially industry representatives and other UN agencies.

Implementation of the MTPF 2018-2021

Member States make limited use of the MTPF as a planning or monitoring tool. The Programme & Budgets are much more important for Member States. As such, the MTPF is not of high strategic importance to Member States and regarded as a UNIDO internal document.

The use of the MTPF among UNIDO staff in the daily work varies a lot. While some try to align their work, others are largely ignorant of the MTPF. Many managers do not think that they are directly responsible for the implementation of the MTPF. It is neither an important point of reference for Directors or Unit Chiefs for their portfolio planning, nor to project managers to design new projects or programmes. While the sense of ownership and accountability to implement the MTPF 2018-2021 was initially low at all levels within UNIDO, this sense has increased recently. This not least because all activities have to be aligned with the indicators of the IRPF. The new accountability framework will probably also enhance the MTPF ownership among staff, if implemented. Yet there is a lot to be done to reach the desired ownership and accountability to implement the MTPF.

The IRPF and the Annual Report 2020 are considered potentially good accountability tools that are being fine-tuned, improved and implemented. Yet there are still major challenges for UNIDO to monitor and report on performance and results. It will need resources and strong commitment of staff and management at all levels, both from the HQ and field to make monitoring and reporting work.

Both MTPFs under review recognize the importance of field offices for the implementation of the MTPF and for ensuring collaboration with the UN System. However, the involvement of UNIDO field offices in implementing the MTPFs is limited.

Results of the MTPF 2018-2021

As this evaluation has shown, the MTPF had several effects on the organisation. It contributed to a reform agenda addressing dimensions like results-based management, budgeting, accountability, quality assurance, risk management, monitoring and evaluation, and others. But the MTPF was not the only factor contributing to the reform agenda.

Particularly visible are the MTPF's effects on results-based management of the Organization, in particular the contribution to establish an organizational theory of change, the IRPF, and the Programme & Budget with results-based budgeting. Positive changes in terms of RBM awareness, attitude, and behaviour of UNIDO staff and management are also evident.

In other areas of the Organization, the effects are more limited until now. While the MTPF 2018-21 had to some extent contributed to efforts to integrate functions and scale-up impact, the Organization still has a rather fragmented project approach driven by the availability of funding. The search for funding remains a main characteristics of UNIDO’s culture. Also, major changes in human and financial resource mobilization and allocation across UNIDO are not yet visible. While some efforts were made to strengthen the field office network, it remains rather weak.

Most importantly, while there are several changes at the organisational level, the MTPF 2018-21 did not have a major impact at the strategic level. The MTPF did not lead to significant shifts of UNIDO’s strategic direction. Neither did it lead to major changes in human and financial resources allocation across UNIDO. Further, most stakeholders were unclear on the criteria for how staff and financial resources are allocated and prioritized, and felt a disconnect between results expressed in MTPFs and resources allocation decisions. As such, the MTPF is much more a “mirror” of the Organization reflecting what UNIDO has already been doing and less as a “telescope” or road-map showing where UNIDO is going in future. This is also reflected in the new MTPF 2022-25, which is a continuation of the previous MTPF 2018-2021.

Evaluation hypothesis

The evaluation team established several hypotheses during the inception phase of this evaluation. Below, these hypotheses are being reviewed and validated.

Hypotheses	Conclusion and validation	Related summary findings
1. The MTPF 2018-2021 improved the organisation’s strategic orientation, i.e., the organization adapted strategic approaches to programme planning, implementation, and adaptation.	The MTPF has improved to some extent the strategic orientation at UNIDO, especially in terms of conceptualization and planning. It’s largely yet to be translated in day-to-day operations and implementation. -> hypothesis is partly valid	1, 2
2. The MTPF 2018-2021 led to significant strategic changes in the organization, including at the level of programme and projects. Changes are visible in terms of thematic priorities but also in terms of implementation modalities.	While UNIDO has made efforts to be more strategic in its actions, much remains to be done. -> hypothesis is partly valid	4, 5, 6
3. The MTPF has aligned the deployment of the human and financial resources as well as programmes and projects with the Organization’s strategic goals and has integrated systems for planning, managing, measuring, and reporting on results.	There have been some efforts to consider redeployment of resources, however the changes have been on the margins so far. -> hypothesis is partly valid	2, 8, 9, 11
4. The MTPF has improved RBM and monitoring systems to analyse and report the progress in organizational performance at all levels of the Organization.	RBM planning and reporting have improved in terms of the policy framework, but embedding it in organizational culture and operations remains. -> hypothesis is valid	2, 9
5. MTPF provided decisive moments for the organization to make major shifts in priorities.	MTPF is not an opportunity for making decisive changes in organizational priorities, since it does not provide a	1

Hypotheses	Conclusion and validation	Related summary findings
	roadmap for the long-term, rather than a reflection of the current status. -> hypothesis is not valid	
6. MTPF was designed and implemented in a participatory manner.	MTPF 2022-25 is slightly more participatory than previous MTPFs, but much should be improved to ensure further buy-in, ownership, roles, responsibilities and accountability to deliver it. -> hypothesis is partly valid	7, 10, 11
7. MTPF is used by Member States as a reference for overseeing UNIDO work.	Member States have not yet taken ownership of MTPFs. It is largely seen as UNIDO's internal document and planning process. -> hypothesis is not valid	3

5.2. Recommendations and Management Action Plans (MAPs)

Implementation of MTPF 2022-2025

- 1) **Enhance ownership, responsibilities and accountability to implement the MTPF 2022-2025:** UNIDO should increase its efforts to build an organizational culture focused on results. Senior management should lead the implementation of the MTPF and create the necessary awareness, ownership, and accountability among staff.
 - Additional guidance on cascading or embedding the MTPF into individual staff performance appraisals should be developed.
 - Managers at all levels should be held responsible for delivering results from the P&B and MTPF.
 - Field offices' role in implementing the MTPF should be enhanced by including and engaging substantively with field staff in different committees and task-forces in house.

➔ related to summary findings 2, 4, 5, 7, 11

- 2) **Guidance and tools to implement the MTPF 2022-2025:** The implementation of the MTPF is supported by many policies, rules and tools. The overall architecture is in place (e.g. Accountability Framework, Monitoring and Reporting Policy, Managing for Results Guide). Hence, UNIDO management should focus on implementation and operationalization of all elements supporting the MTPF 2022-2025.
 - UNIDO should further align the MTPF, IRPF and the P&B by establishing a single comprehensive logic-model.⁴⁰ For that, it should prepare a single, crisp and concise *guidance document* to facilitate the implementation of the MTPF 2022-2025. This *single document* should be an opportunity to improve overall clarity and include the revised Organization's Theory of Change, expected SMART results from the MTPF and P&B as well as the corresponding IRPF indicators with targets.

⁴⁰ P&B results areas have a different logic compared with the “behavioural change areas” defined in the MTPF.

- UNIDO staff and key external stakeholders should be engaged and sensitized thoroughly on this guidance document to implement the MTPF 2022-2025.
- UNIDO should further identify and clarify different approaches and options of how its functions and services could be integrated and impacts scaled up. Management should strengthen the programmatic approach in UNIDO, including the use of programmatic service modules or the development of thematic programmes.⁴¹ Tools and guidance should be developed to guide staff.

➔ related to summary findings 2, 3, 4, 5, 9, 11

3) **Monitoring, reporting and evaluation of the MTPF 2022-2025:** UNIDO should improve the corporate monitoring and reporting for the MTPF to ensure its implementation is duly tracked, especially the quality of monitoring and data collection to increase the credibility of the MTPF. Data collection and the quality of data for the reporting on the implementation of the MTPF is a major challenge.

- Staff requires support and capacity building in this regard.
- The MTPF should be systematically reviewed and/or updated at mid-term or evaluated around 18 months before the start of a new MTPF, i.e. the next review/evaluation should be conducted in 2024 (to be completed mid-2024 and allow timely feedback into the planning of the next MTPF).

➔ related to summary findings 2, 9, 10

Future MTPFs

4) **Purpose of the MTPF:** UNIDO should clearly define the purpose of the MTPF and consider placing future MTPFs at the heart of its strategic management process. Rather than providing a generic framework for the P&B process (like an ad-on), the MTPF could become the central strategic steering instrument and road-map for the Organization while the P&B would become the biennial operational arm for the implementation of the MTPF.

➔ related to summary finding 1

5) **Buy-in and guidance by Member States:** UNIDO should further engage and incentivize Member States to buy in and provide substantive guidance to the development of MTPFs.

- Consider Member States' approval of the P&Bs as an explicit endorsement of the MTPF as the road map for the Organization.
- More broadly, UNIDO Secretariat should enhance a stronger dialogue with Member States on the strategic orientation of UNIDO and discuss the MTPF in a more meaningful manner.

➔ related to summary finding 3

⁴¹ such as for example the GQSP or the GEIPP.

- 6) **Design process of future MTPFs:** This process should be carried out on the basis of more participative strategic planning processes, on the basis of evidence from documented reviews, reports and evaluations, and need to be undertaken over a longer period (of at least one year) to provide adequate opportunities to reflect internally (including in field offices), engage with Member States, and other UN agencies, key donors to provide inputs into the planning process. Consultation with industry representatives should also be considered.

➔ related to summary findings 1, 2, 3, 10, 11

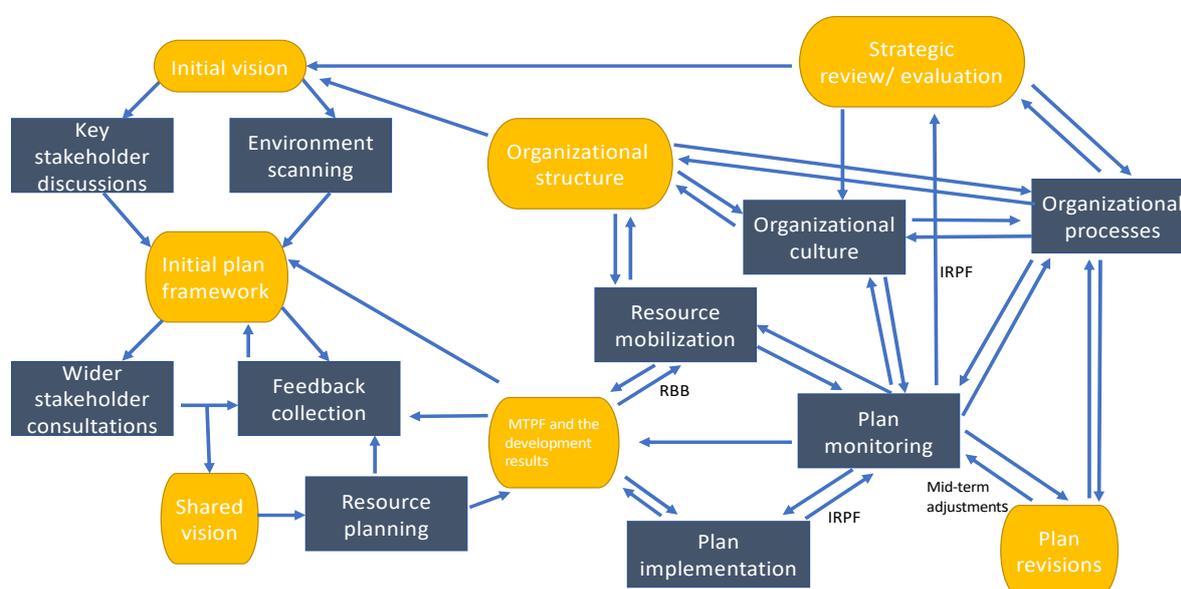
Management Action Plans (MAPs)

As of the date of the issuance of this report, the respective Management Action Plans (MAPs) to address the findings and recommendations of this evaluation are being prepared and consolidated by relevant Offices. The agreed MAPs will be monitored and followed-up accordingly.

Annexes

Annex 1: MTPF: Overview of strategic management at UNIDO - A theoretical framework

On the basis of desk review and inception discussions, the evaluation team put together a theory on how MTPF is developed and expected to assist UNIDO in achieving its development results. This includes outlining how the MTPF is expected to influence strategic change at UNIDO. It must be noted that this is *not* a theory of change for the UNIDO (as shown in Figure 1, its famous rocket analogy). Rather this theory shows how the MTPF process is expected to influence strategic change at UNIDO and enable UNIDO in achieving its intended development results outlined in MTPF and other major strategic documents such as Lima declaration (2013) and the Abu Dhabi Declaration (2019).



As depicted above, MTPF plays a key role in defining strategic goals and providing strategic guidance to UNIDO management. At least in theory⁴², a strategic planning is an iterative process that starts with defining and establishing the initial vision of main strategic decision-makers. Once that vision is discussed with key internal and external stakeholders and context is examined via environment scanning processes, the initial plan framework is put forward for wider stakeholder consultations. Through an iterative process, this leads to a shared vision, strategic goals, and the final MTPF document. As MTPF nears finalization, other accompanying processes such as resource planning and implementation need to feed back into the planning process. This is necessary to determine if the Organization has or can raise adequate resources to achieve results outlined in the MTPF. Upon finalization, MTPF paves way for actual resource mobilization and implementation, including determination and adjustments into organizational structure, processes, decision-making and culture. A well-functioning organization needs to make these adjustments to ensure that the entire Organization functions in a cohesive and synergistic manner. To achieve the strategic goals and development results outlined in the MTPF, constant monitoring, as per the IRPF framework, and adjustments needs to be made. Sometimes, this may necessitate mid-term strategic reviews or even independent evaluation. The final step in this process is the terminal evaluation to examine what worked and what did not as well as to feed

⁴² To be tested and validated in this evaluation

into the future MTPF design process. This evaluation, thus, serves to both examine the previous MTPF for 2018-21 as well as to provide relevant information for the implementation of the upcoming MTPF for 2022-25. Given that the latter had been finalized and started to be launched in early 2022, some adjustments may need to be made around the mid-term review but other processes that support the achievement of results outlined in the formulated MTPF could be used for formative purposes right away.

Annex 2: List of stakeholders consulted

Stakeholders from UNIDO

No.	Gender	Last name	First name	Position
1	Female	AJWALA	Susan Awuor	Risk Management Officer
2	Male	ANASTASOV	Vladimir	Industrial Development Officer
3	Male	AUTHRIED	Oliver	Project Administrator
4	Male	BADARNEH	Ali	Chief
5	Male	BETHKE	Kai	Director
6	Male	BREDEL	Ralf	DIR&UR to the UN&internat.org.&OIC ASP
7	Female	CALABRO	Aurelia Patrizia	Director & UNIDO Representative
8	Male	CALZADILLA-SARMIENTO	Bernardo	Managing Director DTA & Dir. DTA/DTI
9	Male	CANTU BAZALDUA	Fernando Isai	Chief Statistician
10	Female	CARTINI	Lucia	Senior Coordinator
11	Female	CHUNG	Tsung Ping	Chief
12	Male	CLARA	Michele	Senior Industrial Development Officer
13	Male	DE SIMONE	Giuseppe	Strategic Planning Officer
14	Male	DIWANDJA DJEMBA	Victor Claude	Chief
15	Female	DOLUN	Ulvinur Muge	Industrial Development Officer
16	Female	DOR	Dominika	Industrial Development Officer
17	Female	EINAV	Tally	Executive Officer
18	Male	EMTAIRAH	Tareq	Director
19	Female	Fokeer	Smeeta	Research and Industrial Policy Officer
20	Female	GHONEIM	Rana	Chief
21	Male	GILABERT	Patrick	UNIDO Representative
22	Female	H Aidara	Fatou	Managing Director & Dir. OSS Ad-interim
23	Male	HARAGUCHI	Nobuya	Chief
24	Male	IINO	Fukuya	Industrial Development Officer
25	Male	IVANOV	Konstantin	Director
26	Male	KAMIYA	Marco	Chief
27	Female	KILLMEYER-OLECHE	Adot	Evaluation Officer
28	Male	KLOSE	Christoph	Strategic Planning Officer
29	Male	KUNIYOSHI	Hiroshi	MD, Dep. to DG, DIR a.i. EPR/PRS
30	Male	LANDRICHTER	Jean-Paul	Chief
31	Female	LE	Thi Thanh Thao	UNIDO Country Representative

No.	Gender	Last name	First name	Position
32	Male	MATEVOSYAN	Sergey	Team Leader of Armenia Country Programme
33	Female	METELITSA	Alla	Senior Advisor
34	Male	MOLL DE ALBA CABOT	Jaime	Director
35	Male	NUSSBAUMER	Patrick	Industrial Development Officer
36	Male	PASINI	Cristiano	Director & UNIDO Rep. & OiC CO BOL&COL
37	Female	PASQUALETTO	Giorgia	Junior Professional Officer
38	Male	PERERA	George	Director
39	Male	REZK	Ahmed	Deputy UNIDO Representative, Regional Office Hub in Egypt
40	Female	ROHE	Julia	Quality Monitoring Officer & OiC
41	Male	SAVIGLIANO	Riccardo	Chief
42	Male	SCHOLTES	Philippe	Special Advisor
43	Male	SICARS	Stephan	Managing Director EAE & Dir. EAE/ENV
44	Male	SLATER	Jason	Chief
45	Male	STUCKI	Jerome	Chief
46	Female	STUCKI	Virpi	Chief
47	Female	SYDORENKO	Liliya	Chief
48	Female	TAS	Fatma Nilgun	Chief and Deputy Director
49	Male	TAVARES	Raymond	UNIDO Representative
50	Male	TEZERA	Dejene	Director
51	Male	Thomas	Josy	Industrial Development Officer
52	Male	VELARDE BRAVO	Marco	MTPF consultant
53	Male	WANG	Zhen	Chief, CMO/HRM/PAD
54	Male	YAO	Shenhong	Chief of Cabinet (Director)
55	Male	ZHAO	Jie	Industrial Development Officer
56	Male	ZOU	Ciyong	Managing Director PFC & Dir. PFC/RFC

Stakeholders from Permanent Missions:

1. Austria
2. Bangladesh
3. El Salvador
4. Finland
5. Germany
6. Hungary
7. Italy
8. Japan
9. Netherland
10. Spain
11. Sweden
12. Turkey

It is noted that the evaluation team requested consultation with the chairs of the five regional groups of Member States of UNIDO, namely African Group, Asia-Pacific Group, Eastern European Group (EEG), Group of Latin America and Caribbean Countries (GRULAC) and Western European and Other States Group (WEOG). It was up to the chair of each group to invite other members to the consultation with the evaluation team.

Annex 3: List of documents and online sources reviewed and visited

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8. UNIDO. (2021). Director General's bulletin. UNIDO Accountability Framework (AF). (Document DGB/2021/03, 25 January 2021)
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20. UNIDO 2016. Report of the Industrial Development Board on the work of its forty-fourth session, IDB.44/Dec.10:
<https://www.unido.org/api/opentext/documents/download/8366178/unido-file-8366178>

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