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Programme questions: evaluation

Triennial review of the implementation of recommendations on the programme evaluation of the United Nations Environment Programme

Report of the Office of Internal Oversight Services

Summary

The present report of the Office of Internal Oversight Services (OIOS), prepared by the Inspection and Evaluation Division, is submitted in accordance with the decision taken by the Committee for Programme and Coordination at its twenty-second session to review the implementation of OIOS recommendations three years after the Committee had decided to endorse them (see [A/37/38](#), para. 362). The present triennial review determines the extent to which the five recommendations emanating from the programme evaluation of the United Nations Environment Programme (UNEP) ([E/AC.51/2019/7](#)) have been implemented.

In the 2019 evaluation of UNEP, OIOS addressed various aspects of the relevance and effectiveness of UNEP, including the institutional arrangements and management approaches to support the achievement of UNEP results during the period from 2014 to 2018. At the conclusion of its fifty-ninth session, the Committee recommended that the General Assembly endorse the recommendations contained in the OIOS evaluation report. Between the date the evaluation was conducted and the present review, there was a change in the leadership of UNEP, with a new Executive Director taking office in 2019. The new Executive Director launched a number of initiatives to strengthen UNEP and respond to the recommendations in a holistic way. Based on the review of the information provided by UNEP and interviews with select staff members, OIOS determined that recommendations 1, 3, 4 and 5 had been implemented, while recommendation 2 had been partially implemented and was expected to be fully implemented in 2023. Some evidence of immediate results was noted in relation to implemented recommendations.

* The dates for the substantive session are tentative.

** [E/AC.51/2022/1](#).



Under recommendation 1, UNEP was requested to strengthen the implementation of the strategic planning process, including through the operationalization of a medium-term strategy and programme of work. In response to that recommendation, UNEP embarked on an ambitious transformation process, which culminated in the roll-out of its medium-term strategy for 2022–2025 (UNEP/EA.5/3/Rev.1) and an accompanying programme of work. In addition, the UNEP Civil Society Unit continued its commitment to partnering with major groups and stakeholders. The recommendation is therefore considered fully implemented.

Under recommendation 2, UNEP was requested to address accountability gaps between its operations and its strategic plans through the clarification of roles, relationships and accountabilities between subprogramme coordinators, divisions and regional offices and to enhance synergies with multilateral environmental agreements. UNEP was also requested to revise its standard operating procedures to support the implementation of the policies of the Secretariat of the United Nations. In response to the recommendation, in 2021, the UNEP senior management team approved a delivery model outlining the operational modalities for implementing the medium-term strategy; the delivery model will be rolled out in 2022. Among other things, the delivery model defined a new accountability framework, project cycle and programmatic approach and was reported to have clarified the roles and responsibilities of divisions and regional offices. Considering the evidence gathered, the recommendation is considered partially implemented. OIOS expects the recommendation to be fully implemented in 2023, once the programme management manual and related standard operating procedures have been updated.

Under recommendation 3, UNEP was requested to develop and fully support resource mobilization and partnership strategies, while taking stock of the priorities articulated in the strategic plan. In response to the recommendation, UNEP took important steps to implement the resource mobilization strategy and the provisions set out in the implementation plan to ensure continuity and improve funding from six different funding streams. In 2021, the income level was the highest since 2015. The recommendation is therefore considered fully implemented.

Under recommendation 4, UNEP was requested to establish a change management process in line with the organizational culture at UNEP to support reforms through a process that is inclusive, consultative and participatory, with a transparent review of progress and reporting to senior management. In response to the recommendation, UNEP conducted a three-month diagnostic study to assess the Programme's organizational health, leadership and culture. The findings and outcomes of the study informed the medium-term strategy and the related medium-term strategy readiness process. In the light of the evidence gathered, the recommendation is considered fully implemented.

Under recommendation 5, UNEP was requested to strengthen results-based management, learning and accountability. In response to the recommendation, UNEP rolled out the Umoja integrated planning, management and reporting solution, developed internal and external knowledge management tools and activities, and established regular reporting mechanisms to improve accountability with regard to compliance with the recommendations made by the Evaluation Office and other oversight entities. The recommendation is therefore considered fully implemented.

I. Introduction

1. At its fifty-ninth session, in 2019, the Committee for Programme and Coordination considered the report of the Inspection and Evaluation Division of the Office of Internal Oversight Services (OIOS) on the programme evaluation of the United Nations Environment Programme (UNEP) (E/AC.51/2019/7). The Committee expressed its support for the issues and recommendations set out in the report. In paragraph 543 of its report (A/74/16), the Committee recommended that the General Assembly endorse the recommendations contained in paragraph 72 of the OIOS report.
2. The present report is issued pursuant to a triennial review of the recommendations. It provides an examination of the current status of implementation of the five recommendations and assesses whether, and if so, to what extent, such implementation has contributed to programme changes.
3. The methodology for the triennial review included:
 - (a) Review and analysis of biennial progress reports on the status of recommendations, which are monitored through the OIOS recommendation database;
 - (b) Analysis of relevant information, documents and reports obtained from UNEP on various topics related to the recommendations;
 - (c) Interviews of a purposive sample of UNEP staff from headquarters.
4. The present report incorporates comments received from UNEP during the drafting process. A final draft was shared with UNEP, which provided final comments (see annex). OIOS expresses its appreciation for the cooperation extended by UNEP in the preparation of the present report.

II. Results

5. Based on the results of the evaluation report, OIOS made five recommendations to UNEP: (a) reform how it operationalizes its strategic plans; (b) address accountability gaps between its operations and its strategic plans; (c) develop and fully support resource mobilization and partnership strategies; (d) establish a change management process; and (e) strengthen results-based management. Between the date the evaluation was conducted and the present review, there was a change in leadership at UNEP, with a new Executive Director taking office in 2019. The new Executive Director launched a number of initiatives to strengthen UNEP and respond to the recommendations in a holistic way. Based on the information collected for the review, OIOS determined that four of the five recommendations had been implemented (recommendations 1, 3, 4 and 5), while recommendation 2 had been partially implemented. There is some indication of specific positive outcomes resulting from the implemented recommendations. The implementation status of the recommendations is described below.

Recommendation 1 Strategic plan operationalization

6. Recommendation 1 reads as follows:

UNEP should reform how it operationalizes its strategic plans by:

- (a) Consolidating and keeping track of all significant mandates and global policy directives, including the Sustainable Development Goals and emerging issues (top down), and prioritize, within that framework, UNEP comparative advantages;

- (b) Consolidating requests from regional forums and major stakeholders (bottom up), and prioritizing, as relevant, with the UNEP strategy to develop a coherent programme of work with an operationalized project portfolio for each subprogramme. This should comprise all projects, including UNEP support to countries (in line with the United Nations Development Assistance Framework process) and synergies with multilateral environmental agreements, and should be costed and prioritized through internal priority setting mechanisms, and progress against the strategic plan should be regularly reviewed at senior levels.

Indicators of achievement: strengthened implementation of the strategic planning process, including all elements noted above; operationalized medium-term strategy and programme of work

7. In response to the recommendation, UNEP embarked on an ambitious transformation process, which culminated in the roll-out of its medium-term strategy for 2022–2025 (UNEP/EA.5/3/Rev.1) and an accompanying programme of work for the biennium 2022–2023 (UNEP/EA.5/3/Add.1). In the strategy, UNEP emphasized three planetary crises – climate change, biodiversity loss and pollution – allowing the organization to successfully track key mandates and global policy directives. In addition, the strategy aimed to strengthen the environmental dimension of the 2030 Agenda and provide a forward-looking 2050 perspective for planetary sustainability.

8. To ensure that all subprogrammes delivered on the priorities set out in the medium-term strategy, the accompanying programme of work incorporated an integrated results framework. The framework was driven by the three strategic objectives outlined in the medium-term strategy, namely climate stability, living in harmony with nature and towards a pollution-free planet, and was designed to underpin the integrated approach described in the medium-term strategy. All subprogrammes were tasked with designing projects that were aligned with the defined indicators, relevant direct outcomes, and outcomes of the framework, ultimately ensuring that the strategy was streamlined across the project portfolio.

9. UNEP took additional steps in support of the operationalization of the medium-term strategy and its programme of work. In 2020, the senior management team developed an organization-wide workplan for 2021 with the required deliverables to implement the strategy. Progress in implementing the workplan was tracked at weekly meetings of the senior management team. Interviewees confirmed that all the objectives and targets of the workplan had been met. One of the key deliverables of the workplan was a revised delivery model, which the senior management team approved in December 2021 in the form of a document outlining the operational modalities for implementing the medium-term strategy. The delivery model defined a new accountability framework, project cycle and programmatic approach and was reported to have clarified the roles and responsibilities of the divisions and regional offices, improved the coherence of technical expertise and ensured better oversight of project cycle management by the divisions. UNEP arrived at the delivery model by taking into consideration the outcomes of the transformation process,¹ the medium-term strategy and its accompanying programme of work, a project cycle review report,² recommendations emanating from senior management team retreats, and the findings and recommendations of previous audits and evaluations, including the 2019

¹ A three-month diagnostic study of the organizational health, leadership and culture of UNEP was carried out from November 2019 to February 2020. The findings of the study were summarized in a document entitled “Transforming systemic challenges in the United Nations Environment Programme”.

² “Delivering UNEP’s results through enhanced focus on quality: Project cycle management review”, December 2020 (led by a consultant).

OIOS evaluation. Interviews with UNEP staff suggest that full implementation of the delivery model will be done through a phased approach, with new projects transitioning first. Existing projects will be revised and approved in line with the new delivery model in 2023.

10. To ensure the quality of the project development phase, UNEP established a concept approval group, chaired by the Deputy Executive Director, to review the strategic focus of all project concepts. Once operational, the concept reviews will be anchored in corporate processes, including the project's alignment with the medium-term strategy, the appropriateness of the results statements, the robustness of the performance indicators, the theory of change, and appropriate outcome-level ambition for each project. According to interviewees, the concept approval group will be fully operational by the fourth quarter of 2022.

11. In accordance with the second part of the OIOS recommendation, the Civil Society Unit, as part of the Secretariat of Governing Bodies and Stakeholders at UNEP, continued its commitment to partnering with major groups and stakeholders to ensure transparency and inclusiveness in the intergovernmental decision-making process. The Unit engaged with accredited civil society organizations, such as not-for-profit organizations, networks and associations, that contribute valuable expertise and knowledge, play key advocacy functions and support the implementation of the Programme's mandate. Staff interviews confirmed that the partnership between UNEP and civil society has grown significantly over the past years, with over 500 not-for-profit organizations holding formal consultative and observer status in the United Nations Environment Assembly by the end of 2021. Moreover, during the development of the medium-term strategy, UNEP held several consultations with major groups and stakeholders, young people, faith-based organizations, the secretariats of multilateral environmental agreements, Member States and the private sector, the results of which were incorporated into the strategy.

12. The full impact of the medium-term strategy cannot be fully determined yet, as its roll-out is still ongoing. UNEP interviewees said that several consultative processes with UNEP staff and stakeholders in the lead-up to the design and implementation of the strategy helped to raise awareness of the upcoming changes. In addition, the increased engagement of stakeholders, for example through the Global Major Groups and Stakeholder Forum, which takes place prior to sessions of the United Nations Environment Assembly, fed into the processes of the Assembly and enriched the debates on broader policy discussions.

13. Based on the above, OIOS considers the recommendation implemented.

Recommendation 2

Gaps between strategic plans and operations

14. Recommendation 2 reads as follows:

UNEP should address accountability gaps between its operations and its strategic plans by:

- (a) Clarifying roles, relationships and accountabilities between subprogramme coordinators, divisions, regional offices and enhancing synergies with the multilateral environmental agreements to improve cooperation and coordination, avoiding conflicts of interest and duplication of staff roles;
- (b) Revising standard operating procedures to support the implementation of the administrative policies of UNEP and the United Nations Secretariat consistently and efficiently throughout the organization.

Indicators of achievement: revised organizational design aligned to strategic priorities; a revised organization chart; revised terms of references for key roles; revised standard operating procedures communicated to relevant staff

15. In response to the recommendation, UNEP began the design of its delivery model in early 2021 as part of the medium-term strategy readiness process. This included a review of key processes, which helped to define clearer roles and responsibilities to deliver programmes and projects in the most strategic and efficient manner. In December 2021, the senior management team approved the delivery model, which included:

(a) A new accountability framework, including roles and responsibilities for key staff categories;

(b) The role of regional offices and divisions in the context of the reform of the United Nations;

(c) A new, more strategic programmatic approach for the UNEP project portfolio.

16. UNEP interviewees highlighted that one of the most important aspects of the delivery model and its accountability framework was the clear division of responsibilities between the regional offices and the country-level offices. Under the new division of responsibilities, the regional offices will be responsible for clearing projects at the country level, while the country-level offices will be responsible for project implementation, in line with their thematic expertise. The delivery model is being implemented and will be rolled out gradually to all areas of the organization within the first seven months of 2022, with a hard deadline of 31 July 2022.

17. As part of the overall implementation strategy, UNEP kickstarted internal awareness-raising and communication of the delivery model in 2021 through informal brown bag sessions and the involvement of deputy directors, who were tasked with communicating key aspects of the delivery model to their respective units. In addition to these efforts, UNEP reported that it intends to roll out an internal communication and change management strategy in 2022 to ensure that the new accountability framework is implemented effectively throughout the organization. According to UNEP staff, the internal communication and change management processes will be led by a communication specialist. As part of the communication strategy, a town hall meeting is planned for March 2022, during which the delivery model is expected to be presented to the entire organization. In addition, project managers will be trained, and programme and project manuals will be revised to reflect the transformations.

18. In response to the second part of the recommendation, UNEP reported that all standard operating procedures would be embedded in the updated and revised programme management manual to ensure that they adequately reflected the Programme's administrative policies and effectively supported the delivery of the goals set out in the medium-term strategy. Moreover, the revision of the manual will ensure that UNEP project management is in line with the reforms of the United Nations.³ The revised manual will reportedly include all operational and administrative aspects, such as procurement, human resources, administration and finance, as well as the budgeting side of results-based management. All changes to the manual and the standard operating procedures will reportedly be accompanied by an intensive, self-paced online training course, designed to build the capacity of project managers to implement the new approach.

³ At the time of the present review, the programme management manual and the standard operating procedures were still under revision.

19. UNEP staff noted that awareness-raising efforts prior to the roll-out of the delivery model had created awareness at all levels of UNEP regarding the focus on three planetary crises and the delivery of the medium-term strategy. The new accountability framework provided much-needed clarification of the roles and accountabilities of regional offices and divisions, as well as different staff categories, for delivering the project portfolio.

20. Despite the significant progress made in implementing the recommendation, given that the revised delivery model is still being implemented and that the programme management manual remains under review, OIOS concludes that the recommendation has been partially implemented. OIOS expects the recommendation to be fully implemented in 2023, once the programme management manual and the related standard operating procedures are updated.

Recommendation 3

Resource mobilization and partnerships

21. Recommendation 3 reads as follows:

UNEP should develop and fully support resource mobilization and partnership strategies, while taking stock of the priorities articulated in the strategic plan. Senior management should be accountable for the implementation of these strategies.

Indicators of achievement: revised Resource Mobilization and Partnerships Strategy, with targets, promulgated and implemented, and with a clear action plan, resources, training and reporting on progress to senior management; UNEP is able to guide the efforts of the organization on how best to resource its objectives and support its core work

22. In response to the recommendation, UNEP updated its resource mobilization strategy and developed an accompanying implementation plan. The strategy was approved by the UNEP senior management team on 17 May 2021 and became operational on 1 July 2021. The strategy outlined specific steps and targets for fully funding the medium-term strategy and its programme of work, enabling UNEP to deliver on its strengthened mandate as the leading global environmental authority. UNEP established a Partnerships and Resource Mobilization Branch under the Corporate Services Division in September 2021, consisting of the Global Environment Facility Coordination Office, the Green Finance Fund Coordination Office, the Public Sector Partnerships and Resource Mobilization Unit, the Private Sector Unit, the Science-Policy-Business Forum on the Environment and the UNEP-European Commission Programme Management Unit.

23. UNEP has taken important steps to implement the resource mobilization strategy and the provisions set out in the implementation plan to ensure continuity and improve funding from six different funding streams:

24. **Environment Fund.** As the Programme's core financial fund, the Environment Fund continues to be the major pool of unearmarked funding. The Public Sector Partnerships and Resource Mobilization Unit remains the entity responsible for coordinating resource mobilization from Member States, with support from the Regional Directors, who help with resource mobilization in their respective regions. In 2021, Member States contributed about 78 per cent of the approved \$100 million budget, a contribution rate that has increased over the last five years.

25. **Earmarked funds.** Member States continue to be key donors for specific programmes and projects that they choose to support by earmarking funding; the UNEP programme managers proposing the programmes and projects are responsible for the earmarked funds. The Public Sector Partnerships and Resource Mobilization

Unit keeps track of the funding agreements signed and the sums transferred. According to UNEP interviewees, earmarked funding has steadily increased over the years. Although it was difficult for UNEP to provide accurate figures due to the nature of multi-year projects, interviewees confirmed that in 2021, 100 per cent of what was planned in the budget was received through this funding stream.

26. **Regular budget.** To ensure that UNEP receives the agreed level of funding from the regular budget to support the functions of the UNEP secretariat, both the Corporate Services Division and the UNEP office in New York continue to be actively involved in the process. This funding stream amounts to approximately 5 per cent of the total UNEP budget.

27. **Multilateral entities and United Nations partners.** The revised resource mobilization strategy includes the following four action points to be taken forward with various multilateral partners, with UNEP achieving significant progress and successes in all areas of action:

(a) *Strengthen engagement with the Green Climate Fund.* UNEP reportedly secured a portfolio of around \$250 million and aims to increase this amount to \$300 million by the end of 2022;

(b) *Review and scale up engagement with the Global Environment Facility.* UNEP has continued to be one of the main implementing agencies for the Global Environment Facility in recent years, with a portfolio of \$1.37 billion. The structure for liaising with Member States and the secretariat of the Global Environment Facility in Washington, D.C. is reported to be well established, with clear roles for the Executive Director, the directors of UNEP divisions, the heads of the secretariats of multilateral environmental agreements, the Head of the Global Environment Facility Coordination Office and the six UNEP portfolio managers. UNEP interviewees confirmed that an additional layer for external representation and oversight was introduced in May 2021, with the Special Advisor for Resource Mobilization directly involved in line management and formal liaison with the secretariat of the Global Environment Facility;

(c) *Develop a long-term and focused partnership with the European Union for global impact.* UNEP formalized its cooperation with the European Commission with the signing of a new memorandum of understanding, supported by a detailed annex, which reflects the priorities of both the European Green Deal and the UNEP medium-term strategy over a four-year period. The European Green Deal closely reflects UNEP expertise and is aligned with the Programme's priorities. In addition, UNEP established a UNEP-European Union coordination forum, which meets regularly at the strategic and operational levels to ensure more focused and efficient outreach and cooperation with the European Commission and the European External Action Service;

(d) *Other United Nations organizations and the United Nations development system.* While collaboration with other United Nations organizations on the delivery of programmes has continued, generating funds from other United Nations organizations has not been a major source of funding.

28. **Foundations and wealthy individuals.** The Private Sector Unit has been entrusted with the relatively new challenge of working with the philanthropic sector to convince wealthy individuals, family foundations and other foundations to support UNEP financially. This is a very competitive market, with many other United Nations agencies, non-governmental organizations, universities, museums and so forth seeking to convince the same foundations to provide financial support. Efforts continue to be made by the Private Sector Unit to secure support from such individuals and foundations.

29. **Private sector.** Direct financial contributions from the private sector were not excluded but were approached with caution due to the high reputational risks.

30. According to UNEP interviewees, one of the fundamental principles and main achievements of the resource mobilization strategy was to encourage a shift of the funding portfolio from tightly to softly earmarked funding. Such a transition will reportedly better position UNEP to execute the medium-term strategy's targets with more flexibility and efficiency.⁴ UNEP envisioned the creation of thematic trust funds, such as the climate action trust fund, the nature action trust fund and the chemicals and pollution action trust fund, to facilitate this shift. In the months leading up to the present review, UNEP held internal discussions with donors to finalize preparations for the establishment of the funds during the first quarter of 2022.

31. Given that the resource mobilization strategy was implemented just a few months prior to the present review, it is still too early to determine the full impact of the strategy on funding, especially the effects of the planned shift from tightly to non-tightly earmarked funding. It is worth noting, however, that the strategy's aim of 5 per cent annual total income growth was met from 2020 to 2021. In 2021, the income level was the highest since 2015, which is particularly notable given that the coronavirus disease (COVID-19) pandemic continued to have a serious impact on the economies of Member States in 2021. UNEP interviewees interpreted this increase in contributions as a sign of trust among donors and partners in the Executive Director and UNEP, including the Programme's priorities and new strategic vision.

32. Based on the above, OIOS considers this recommendation implemented.

Recommendation 4

Change management

33. Recommendation 4 reads as follows:

UNEP should establish a change management process in line with the organizational culture at UNEP to support reforms, for example through a process that is inclusive, consultative and participatory, with a transparent review of progress and reporting to senior management.

Indicators of achievement: staff/unit assigned to oversee the change management process established; changes supported with communication, guidelines and timetable for implementation

34. In response to the recommendation, UNEP hired a senior consultant to conduct a three-month diagnostic study, from November 2019 to February 2020, of the Programme's organizational health, leadership and culture. The outcome document, entitled "Transforming systemic challenges in the United Nations Environment Programme", summarized the findings of the study, which sought to respond to the following core question: "How can UNEP better position itself to tackle the three planetary challenges of climate change, biodiversity loss and pollution?". A review of the study revealed that the research methodology was fundamentally inclusive and participatory, as called for by the recommendation. The study included 60 semi-structured interviews of directors and senior staff; 18 workshops, involving over 430 people, conducted in all the regions where UNEP works; and documented ethnographic observation of leaders and dynamics. It concluded with an intensive three-day session with the most senior UNEP leaders, where the preliminary results of the analysis were presented and reviewed, with the participants agreeing

⁴ At the time the present review was conducted, roughly 80 per cent of UNEP funding was reported to be tightly earmarked.

emphatically that they represented an accurate picture of the organization and its challenges.

35. The study corroborated what the OIOS evaluation report had concluded: that UNEP needed to embark on a systematic and ambitious transformation process to expand its ability to deliver on its mission and ensure its relevance. In particular, the study identified five systemic challenges and advocated the following changes:

(a) Siloed entrepreneurialism to aligned entrepreneurship, by shifting the silo patterns and creating shared focus and joint activities in service of a larger set of ambitions;

(b) Constrained collaboration to systemic collaboration and partnering, by creating conditions and structures that support the building of trust, mutual collaboration and mutual learning;

(c) Stagnant system capability to integrated capability development, by investing in longer-term systemic capability to enable UNEP to shift how it functions and multiply its impact;

(d) Lack of shared leadership to coherent strategic leadership, by moving from a condition where senior leadership is not aligned and where strategic focus is lacking to a coherent, focused and disciplined senior leadership team whose focus extends through the organization;

(e) Impaired accountability to operational excellence, by converting opaque, inconsistent and incomplete processes to clear, transparent, continuously improving performance monitoring and data-rich disciplined routines.

36. The findings and outcomes of the study formed the basis of the medium-term strategy and its related readiness process, which sought to address all five systemic challenges.

37. Following the release of the results of the diagnostic study in March 2020, the UNEP senior management team changed its meeting schedule from monthly to weekly, as it took charge of overseeing the transformation process. The Strategic Planning Unit of the Policy and Programme Division was tasked with supervising the change management process to ensure that the recommendations were integrated into the delivery model and updated policies and procedures. As called for in the recommendation, guidelines, timetables and related indicators of achievement were included in the medium-term strategy readiness plan, the senior management team's workplan and the delivery model.⁵

38. As alluded to above, the transformation process is reported to have sparked numerous change initiatives within UNEP. While the full impact of the change management process could not be fully assessed at the time the present review was conducted, since the medium-term strategy and delivery model had not yet been fully implemented, UNEP staff reported some initial specific results. For example, the inclusive data gathering method allowed staff to reflect and remark on systemic challenges, which subsequently encouraged the leaders of UNEP to admit and tackle shortcomings in terms of a lack of coherent strategic leadership. The move from monthly to weekly meetings of the senior management team is a visible example of measures taken to move towards a more coherent, focused and disciplined senior management team. Other measures include the establishment of an accountability framework, which has clarified roles and responsibilities, thereby helping to improve collaboration and coordination. The resource mobilization strategy was intended to

⁵ More information on the roll-out of the transformation process is provided under recommendations 1 and 2.

address the issue of siloed entrepreneurship by shifting to non-earmarked financing to better position UNEP to deliver on its strategic objectives in a holistic manner.

39. Based on the above, OIOS considers this recommendation implemented.

Recommendation 5

Results-based management, learning and accountability

40. Recommendation 5 reads as follows:

UNEP should strengthen results-based management, learning and accountability by:

- (a) Improving project coordination, monitoring and reporting across UNEP by capturing reliable project data that informs real-time project management of all UNEP projects. This should be available in a central database and should include project locations, reporting lines and financial information accessible to all managers;
- (b) Fully supporting and implementing the knowledge management strategy to support organizational learning through the transfer of information on project results to all UNEP entities and UNEP partners and stakeholders;
- (c) Strengthen the accountability of management for implementing recommendations made by the Evaluation Office by providing periodic reports on their implementation to senior management and presenting updates to the Committee of Permanent Representatives.

Indicators of achievement: knowledge management strategy implemented, operational project database established; periodic reporting by management to senior management and the Committee of Permanent Representatives on the status of the implementation of the recommendations made in the present report

41. In response to the first part of the recommendation, in 2021, UNEP dedicated significant efforts and resources to rolling out a new central project database using the Umoja integrated planning, management and reporting solution. The database is designed to apply results-based management to project management, including planning, monitoring and reporting projects⁶ through a default project structure automatically set up with four levels (objectives, outcomes, outputs and activities). The new integrated planning, management and reporting module allows teams to track project progress against different cross-cutting organizational priority areas, such as the Sustainable Development Goal targets, gender equality and disability inclusion. According to UNEP, the module was rolled out in June 2021 through training provided by the Policy and Programme Division to over 500 project managers and financial management officers. In addition, job aids and learning materials were made available for all new users of the module through the iLearn Umoja website. Since May 2021, registration of projects, including those relating to the Global Environment Facility, the Green Climate Fund and multilateral environmental agreements, has been mandatory and as a result, all 500 or more existing UNEP projects have been successfully converted to the Umoja integrated planning, management and reporting system.

42. Nevertheless, the benefits of the Umoja platform are limited due to the lack of one key feature: the reporting function in the form of a dashboard. This planned but not yet implemented feature will enable the visualization of all project information in an interactive, disaggregated and aggregated manner, which UNEP management will

⁶ The data include project locations, reporting lines, and financial information that is accessible to all managers.

be able to use for monitoring and decision-making purposes, as called for in the recommendation. At present, information captured in the Umoja system requires manual intervention when reporting. Recording information in the system is perceived to be time-consuming and has proved to be a learning curve for the teams. This circumstance is beyond the Programme's control, since the Umoja application is managed by Headquarters in New York. Although it is expected that progress will be made by March 2022, UNEP continued to use its pre-existing project information management system in parallel and plans to do so until the reporting feature in Umoja is made fully available.

43. Parallel to the Umoja module roll-out, and as a vehicle for knowledge management at senior management level, UNEP took additional steps to strengthen project coordination, monitoring and reporting through the introduction of quarterly business reviews, held every three months. During the quarterly business reviews, each UNEP director presents on four topics: programme delivery overview; finance overview; human resources overview; and audit and oversight recommendations. The meetings are chaired by the Executive Director and the Deputy Executive Director and the minutes are shared online with the entire organization. Following the roll-out of the quarterly business reviews, UNEP colleagues reported a cultural shift within the organization, categorized by increased awareness of the importance of regularly monitoring projects, updating the Umoja planning, management and reporting system, identifying potential risks and escalating issues internally when necessary.

44. The quarterly business reviews are reported to have promoted enhanced transparency of project progress, thereby boosting project implementation and delivery. UNEP interviewees also noted that the quarterly business reviews have pushed the UNEP senior management team to take more data-driven decisions, using key matrices as a reference. A mapping of the number of projects implemented by regional offices as opposed to by divisions at headquarters, for example, led to the decision to define accountabilities so that regional offices focused on political and country representation from an environmental standpoint, as well as data analytics, rather than working on implementing technical projects. Another example is donor base analytics, which were used to determine how much various States pay based on their classification as medium-, low-, or high-income to guide resource mobilization strategies.

45. In response to the second part of the recommendation, UNEP made considerable efforts to ensure that knowledge management tools were implemented to support organizational learning. UNEP ensured that information on project results was shared with all UNEP entities, partners and stakeholders. Evidence submitted during the present review indicated that internal knowledge-sharing tools and activities that provide a platform to access relevant policies, manuals, guidelines and templates and share stories, achievements, upcoming events and other updates include the UNEP intranet; the inventory of UNEP digital assets developed by the Digital Transformation Task Force; regular town hall meetings organized by the Executive Office; webinars and presentations; the UNEP Weekly Digest electronic newsletter; the monthly letter from the Executive Director; and the project information management system. External knowledge-sharing activities and tools include the World Environment Situation Room, which makes available environmental knowledge, data and statistics and integrated UNEP environmental knowledge products, relevant external data and information sources; the Knowledge Repository, through which users can access UNEP publications and reports; the UNEP corporate website; and interlinkages with relevant external knowledge platforms, such as the regional knowledge management task forces and the United Nations statistics database.

46. UNEP began to plan for a new knowledge management strategy in 2021. Senior managers agreed that the new strategy should be driven by knowledge management experts nominated by each office or by the directors of the divisions. At the time of the present review, the nomination of the experts for each division was ongoing, but the process will lead to a revised knowledge management strategy, which goes beyond the initial aim of the recommendation.

47. In response to the third part of the recommendation, UNEP made substantial efforts to include information on compliance with the recommendations of the Evaluation Office and other oversight entities in two periodic reporting mechanisms, in order to improve the accountability of the senior management team and the Committee of Permanent Representatives. On 7 June 2021, the senior management team agreed to include a systematic review of compliance with recommendations in the mid-year (second quarter) and end-of-year (fourth quarter) quarterly business reviews. The review of evaluation and audit recommendations reportedly included a full examination of all outstanding recommendations categorized by responsible office and thematic area. This included a traffic light system on the implementation deadlines for the recommendations.

48. Overall, the implementation of this recommendation is visible. The recent roll-out of the Umoja integrated planning, management and reporting module, the development of internal and external knowledge management tools and activities, and the establishment of regular reporting mechanisms to improve accountability with regard to compliance with evaluation recommendations were key areas of progress. With due acknowledgement of the efforts made to address the recommendations, OIOS considers this recommendation implemented.

III. Conclusion

49. In the three years since the OIOS evaluation, UNEP has embarked on an ambitious process of organizational change that included the roll-out of its medium-term strategy for 2021–2025, a resource mobilization strategy, and a strengthened results-based management system. The lead-up to the launch of these changes, in particular the medium-term strategy, was widely regarded as being instrumental in eliciting broader discussions about the Programme's strategic objectives, organizational culture and leadership, which has helped to better position UNEP to deliver on its mandates. Early indications of positive changes, as documented and reported by UNEP staff, include: a coordinated strategy across organizational units, which has clarified roles and responsibilities through the establishment of a new accountability model; a funding model that increasingly focuses on non-earmarked funding to ensure more flexible delivery of UNEP strategic objectives; and improved knowledge management and results-based management practices that have enhanced accountability and learning within UNEP, including improved data-driven decision-making.

Annex*

Comments received from the Executive Director of the United Nations Environment Programme

I wish to refer to your memorandum to Ms. Inger Andersen dated 4 March 2022 (ref.: OIOS-2022-00309), which is attached for ease of reference. **

I would like to convey UNEP's gratitude for the constructive collaboration that was established between OIOS and UNEP during the review process.

I wish to confirm that UNEP has no additional comments as all observations and insights that were earlier provided by UNEP have been incorporated in the final draft report.

* In the present annex, the Office of Internal Oversight Services sets out the full text of comments received from the United Nations Environment Programme. This practice has been instituted in line with General Assembly resolution [64/263](#), following the recommendation of the Independent Audit Advisory Committee.

** On file with the Office of Internal Oversight Services.