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Programme questions: evaluation

Evaluation of the United Nations Environment Programme

Report of the Office of Internal Oversight Services

Summary

The mandate of the United Nations Environment Programme (UNEP) derives from General Assembly resolution 2997 (XXVII). The governing body of UNEP further clarified the mandate of UNEP in its decision 19/1, setting out the Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme, which the Assembly subsequently endorsed in the annex to its resolution S-19/2 in 1997 and reaffirmed in its resolution 53/242 in 1999 and its resolutions 66/288 and 67/213 in 2012. As emphasized by the Assembly in its resolution 53/187, UNEP is the leading global environmental authority that sets the global environmental agenda, that promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system and that serves as an authoritative advocate for the global environment.

Headquartered in Nairobi, UNEP has six regional offices, five subregional offices and nine country offices and provides the secretariats for 15 multilateral environmental agreements.

The evaluation carried out by the Office of Internal Oversight Services focused on the institutional arrangements and management approaches to support the achievement of UNEP results during the period from 2014 to 2018. The evaluation covered the following areas:

Relevance: Extent to which institutional arrangements and management approaches made UNEP fit for purpose

Effectiveness: Extent to which institutional arrangements and management approaches contributed to UNEP outcomes articulated in strategic plans

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  * The dates for the substantive session are tentative.
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Efficiency: Extent to which institutional arrangements and management approaches have optimized the ability of UNEP to achieve targeted results

Cross-cutting issues: Extent to which UNEP institutional arrangements and management approaches addressed the Sustainable Development Goals, gender and human rights issues.

UNEP has remained highly relevant in the context of its evolving mandates, which it has started to integrate into its strategic planning. The organization has had difficulty, however, in operationalizing its strategic plans, and has failed to use internal priority setting mechanisms to optimize its programme of work and to align its resources and capabilities accordingly (including synergies with the multilateral environmental agreements for which UNEP provides the secretariats).

UNEP had increased the prominence of global environmental issues, although its funding for core work has been unstable and is in decline. UNEP has unevenly implemented resource mobilization and partnership strategies, which has resulted in a decline in flexible funding from Member States and has increased competition for resources internally and with other United Nations agencies.

The institutional arrangements and management approaches at UNEP have facilitated coordination across the organization, including some improvements from recent reforms and policies in needed areas, leading to some effective projects with visible outcomes. However, lack of accountability, as well as unclear roles and responsibilities, incomplete change management efforts, lack of support to knowledge management, uneven results-based management and inadequate support for policy implementation have hindered their effectiveness.

Despite the institutional and management challenges identified, UNEP staff remain proud of their work and feel valued by the organization. However, morale, particularly at UNEP Headquarters, has been affected by internal politics and perceptions that senior-level priorities were disconnected from the rest of the organization.

The Inspection and Evaluation Division of the Office of Internal Oversight Services makes two critical and three important recommendations, namely that UNEP:

(a)   Reform how it operationalizes its strategic plans (critical);

(b)   Address accountability gaps between its operations and its strategic plan (critical);

(c)   Develop and fully support UNEP resource mobilization and partnership strategies based on priorities articulated in the strategic plan;

(d)   Manage change deliberately in line with its organizational culture;

(e)   Strengthen accountability, results-based management and learning.

Contents

I. Introduction and objective

1. The Inspection and Evaluation Division of the Office of Internal Oversight Services (OIOS) identified the United Nations Environment Programme (UNEP) for evaluation based on a risk assessment designed to identify programme evaluation priorities within the United Nations Secretariat. The Committee for Programme and Coordination selected the evaluation of UNEP for consideration at its fifty-ninth session in June 2019,[1] and the General Assembly endorsed the selection of UNEP for evaluation in its resolution 72/9.

2. The general frame of reference for OIOS is set out in General Assembly resolutions 48/218 B, 54/244 and 59/272, as well as in the Secretary-General's bulletin on the establishment of the Office,[2] which authorizes the Office to initiate, carry out and report on any action it considers necessary to fulfil its responsibilities. The evaluation function is stipulated in regulation 7.2 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.[3]

3. The overall objective of the evaluation was to determine, as systematically and objectively as possible, the relevance, effectiveness and efficiency of UNEP in relation to its objectives, using available UNEP monitoring and evaluation data, with a focus on its institutional arrangements and management approaches to support the achievement of results during the period from 2014 to 2018. The scope of the evaluation emerged from a programme-level risk assessment described in an evaluation paper produced at the outset of the evaluation process.[4] The present evaluation conforms with the norms and standards for evaluation in the United Nations system, as determined by the United Nations Evaluation Group in 2005.

4. The comments of UNEP management on the draft report were sought and taken into account in the present final report. The response of UNEP management is included in the annex to the report.

II. Background

A. Mandate, role and stakeholders

5. The UNEP mandate is derived from General Assembly resolution 2997 (XXVII), adopted in December 1972. Its role was expanded by the Governing Council of UNEP in its decision 19/1, adopted in February 1997, which designated UNEP as "the leading global environmental authority that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system, and serves as an authoritative advocate for the global environment". The General Assembly endorsed this role for UNEP in its resolution S-19/2 and reaffirmed it in its subsequent resolutions 53/242, 66/288 and 67/213. In connection with the present evaluation, it should be noted that the relationship between UNEP and the multilateral environmental agreements for which it provides the secretariats requires mutually supportive programmes of work.[5]

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[1] A/72/16, para. 95.
[2] ST/SGB/273.
[3] ST/SGB/2018/3.
[4] IED-18-013 (available on request).
[5] UNEP/EA.2/Res.18.

6. The UNEP medium-term strategy for 2014–2017[6] and medium-term strategy for 2018–2021[7] are built upon "The future we want", the outcome document of the United Nations Conference on Sustainable Development, held in June 2012, and upon the 2030 Agenda for Sustainable Development, adopted by the General Assembly in its resolution 70/1 in September 2015. In "The future we want", Member States acknowledged the need to further mainstream sustainable development at all levels, integrating economic, social and environmental aspects and recognizing their interlinkages.[8] UNEP is the entity of the United Nations Secretariat with the largest number of "custodian" or "co-custodian" responsibilities for 24 Sustainable Development Goal indicators (including 96 of 169 targets). In the outcome document of the Rio Conference, Governments committed to strengthening the role of UNEP as the leading entity of the United Nations Secretariat with responsibility for the environment.[9]

B. Main areas of work

7. The UNEP strategic planning process includes a medium-term strategy informed by relevant resolutions and decisions of the United Nations Environment Assembly and the General Assembly, synergies with multilateral environmental agreements and internationally agreed environmental goals. The medium-term strategy guides the work of the organization over a four-year period, with a view of achieving measurable results, planned jointly with Governments, partners and other stakeholders, and reflects the vision, objectives and priorities of UNEP and its impact measures, including a mechanism for review by the United Nations Environment Assembly. The 2014–2017 and 2018–2021 medium-term strategies were developed in February 2013 and May 2016, respectively. A two-year programme of work supported each medium-term strategy, providing details of what UNEP would deliver and key indicators of achievement.[10] Projects were subsequently developed to operationalize the programmes of work.

8. Table 1 below outlines the seven subprogrammes in the UNEP medium-term strategy and strategic framework for the period 2018–2021.

Table 1
UNEP subprogrammes and objectives: 2018–2021

Subprogramme	Objectives
1. Climate change	Countries transition to low-emission economic development and enhance adaptation and resilience to climate change
2. Resilience to disasters and conflicts	Countries prevent and reduce environmental impacts of disasters and conflicts, while building resilience to future crises
3. Healthy and productive ecosystems	Marine, freshwater and terrestrial ecosystems are managed through an integrated approach, enabling them to maintain and restore biodiversity, long-term functioning of ecosystems and supply of ecosystem goods and services

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[6] See UNEP/GC.27/9.
[7] A/71/25, resolution 2/20.
[8] General Assembly resolution 66/288, annex, para 3.
[9] Ibid., para. 88.
[10] During the period under evaluation, UNEP adopted three programmes of work (2014–2015; 2016–2017; and 2018–2019).

Subprogramme	Objectives
4. Environmental governance	Policy coherence and strong legal and institutional frameworks achieve environmental goals in the context of sustainable development
5. Chemicals, waste and air quality	Sound management of chemicals and waste and improved air quality enables a healthier environment and better health for all
6. Resource efficiency	Countries transition to sustainable development through multiple pathways, including inclusive green economy and trade, and the adoption of sustainable consumption and production patterns, decoupling economic growth from unsustainable resource use and environmental impacts while improving human well-being
7. Environment under review	Governments and other stakeholders are empowered with quality assessments and open access to data and information to deliver the environmental dimension of sustainable development

Sources: A/71/6 (Prog. 11) and A/72/6 (Sect. 14).

Governance and structure

9.   UNEP is led by its Executive Director (Under-Secretary-General), supported by the Deputy Executive Director (Assistant Secretary-General), who provide the vision and direction for the work of the organization, in accordance with its legislative mandates, and have overall responsibility for resource management.

10.   Headquartered in Nairobi, UNEP has a New York Liaison Office, headed by an Assistant Secretary-General, which serves as the secretariat of the Environment Management Group. UNEP has six regional offices, five subregional offices and 37 country, liaison, convention and project offices. UNEP provides secretariats for 15 multilateral environmental agreements.

11.   To implement its programme of work, UNEP employs a matrix structure (see figure I below), whereby the seven interrelated and cross-cutting subprogrammes established in the medium-tern strategy are embedded within its divisional structure.

Figure I
UNEP matrix structure: subprogrammes embedded in Divisions
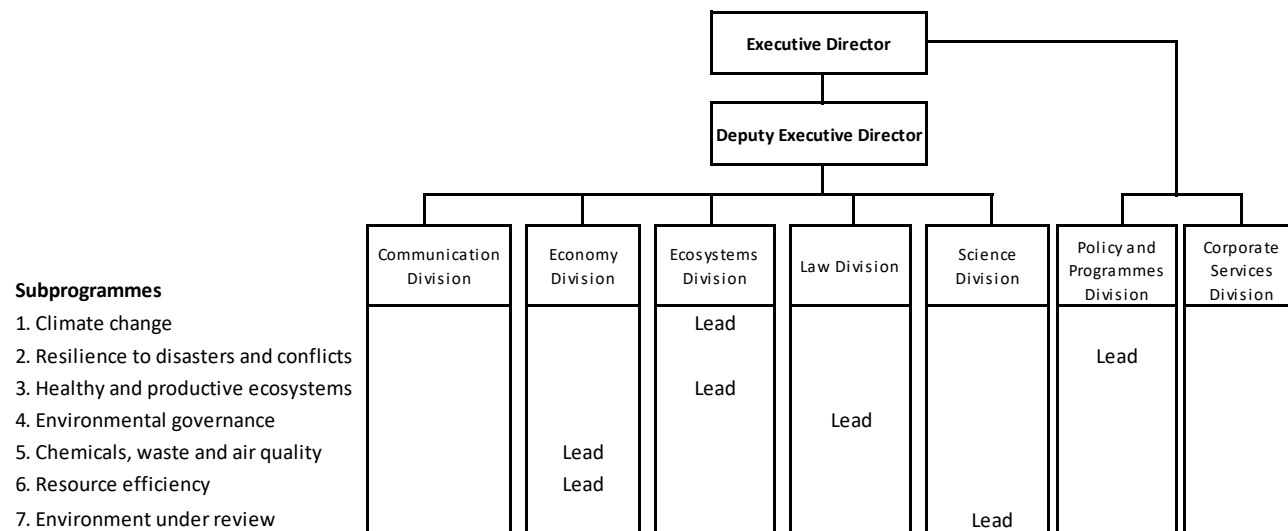
Source: Compiled by the Internal Investigation Division of OIOS.

12.   The subprogrammes are supported by subprogramme coordinators, with corresponding regional subprogramme coordinators in the regional offices. Beginning in 2017, the primary reporting line of the subprogramme coordinators was changed: they now report to the Directors of their respective Divisions, with an additional reporting line to the Director of the Policy and Programmes Division. Regional subprogramme coordinators report to the Regional Directors.

13.   The UNEP structure, including the 15 multilateral environmental agreements for which UNEP provides secretariats, is provided in the organization chart below (see figure II below). As at 31 October 2018, UNEP had 1,188 staff.

Figure II
Organization chart
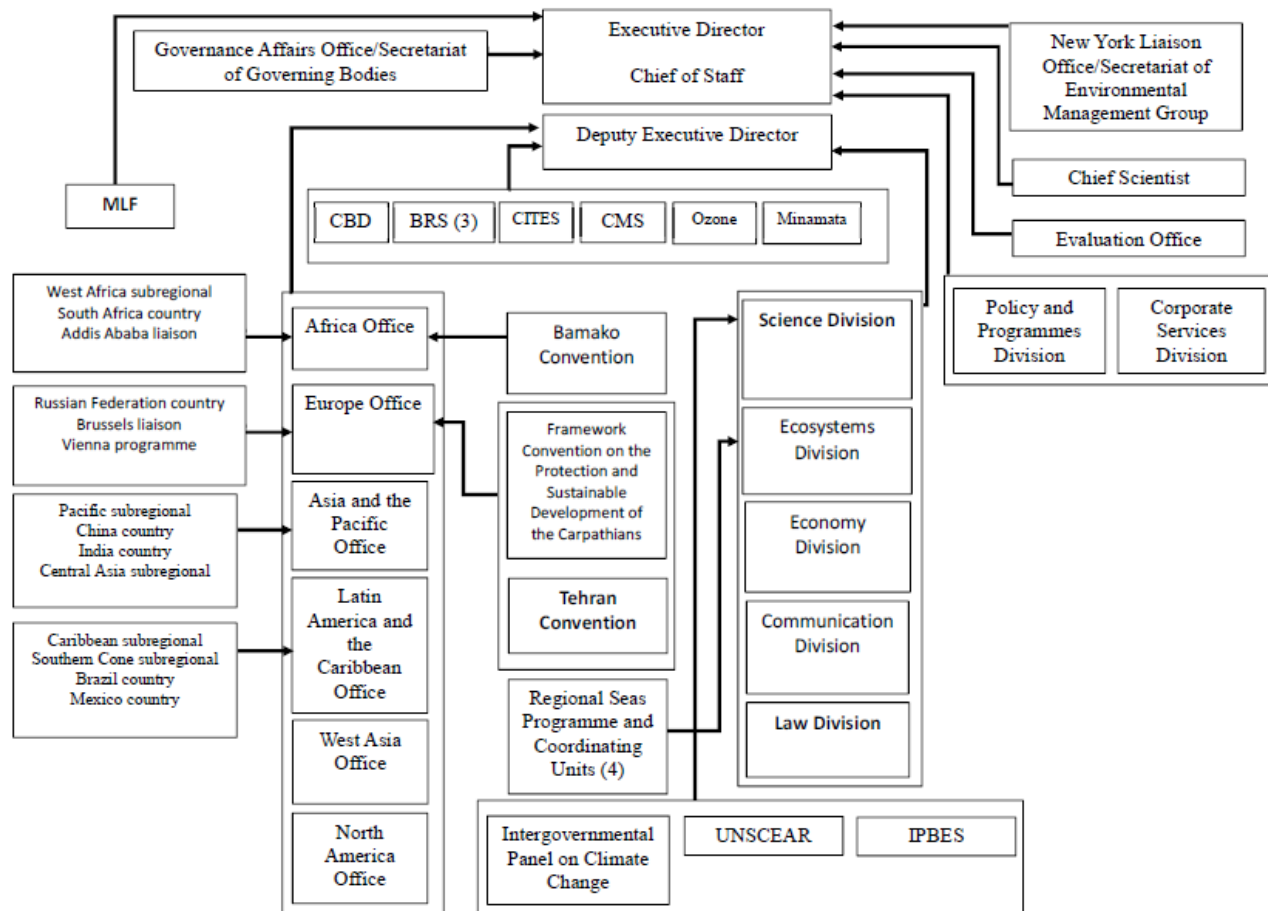
Source: OIOS compilation from UNEP organization charts.

Abbreviations: MLF: Multilateral Fund for Implementation of the Montreal Protocol; CBD: Convention on Biological Diversity; BRS: Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, and Stockholm Convention on Persistent Organic Pollutants; CITES: Convention on International Trade in Endangered Species and Wild Fauna and Flora; CMS: Convention on the Conservation of Migratory Species of Wild Animals; Ozone: Vienna Convention for the Protection of the Ozone Layer and Montreal Protocol on Substances that Deplete the Ozone Layer; Minamata: Minamata Convention on Mercury; UNSCEAR: United Nations Scientific Committee on the Effects of Atomic Radiation; IPBES; Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

Governance

14.   The United Nations Environment Assembly is the main governing body and priority-setting mechanism of UNEP. The General Assembly, by its resolution 67/213, established universal membership in the Governing Council of UNEP.

15.   The Committee of Permanent Representatives provides policy advice to the United Nations Environment Assembly, contributes to agenda preparation and oversees implementation of adopted decisions. The Committee is overseen by its five-member bureau,[11] elected for two years, and meets quarterly and prior to each session of the Environment Assembly.

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[11] In 2018, the members of the bureau of the Committee of Permanent Representatives were: Botswana, Colombia, Finland, Poland and the Republic of Korea.

16.   The programme of work for the 15 multilateral environmental agreements are decided upon by their own legally independent governing bodies.

17.   The regional offices provide full or partial secretariat and technical support to the regional ministerial forums, where regional priorities and needs are articulated. Figure III below provides an overview of activities in this regard.

Figure III
Overview of regional ministerial priority setting forums with UNEP support

Africa
- African Ministerial Conference on the Environment
- Inter-Ministerial Conference on Environment and Health in Africa (joint secretariat with the World Health Organization (WHO))

Asia and the Pacific
- Forum of Ministers and Environment Authorities of Asia Pacific

Europe
- **Ministerial Conference "Environment for Europe"** (secretariat provided by the Economic Commission for Europe)
- Pan-European Biodiversity Platform
- Interstate Commission on Sustainable Development
- European Environment and Health Process (WHO)

Latin America and the Caribbean
- Forum of Ministers of the Environment of Latin America and the Caribbean
- Forum of the Countries of Latin America and the Caribbean on Sustainable Development (Economic Commission for Latin America and the Caribbean)

West Asia
- Council of Arab Ministers Responsible for the Environment (joint secretariat with the Economic and Social Commission for Western Asia)

Small island developing States
- International Conference on Small Island Developing States (secretariat provided by the Department of Economic and Social Affairs)

Source: OIOS compilation.

Resources

18.   UNEP receives four types of contributions, as follows: regular budget (assessed); Environment Fund (unearmarked voluntary contributions); loosely earmarked (typically from Norway and the Swedish International Development Cooperation Agency); and earmarked (from Member States, including "vertical funds" for specific projects approved by donors). The vertical funds are provided to expand UNEP core activities. The secretariats of the multilateral environmental agreements receive earmarked funding for their programmes of work, which is separate from the overall UNEP budget. Figure IV below shows the contributions received during the 2014–2018 period.

Figure IV
UNEP contribution trends: 2014–2018
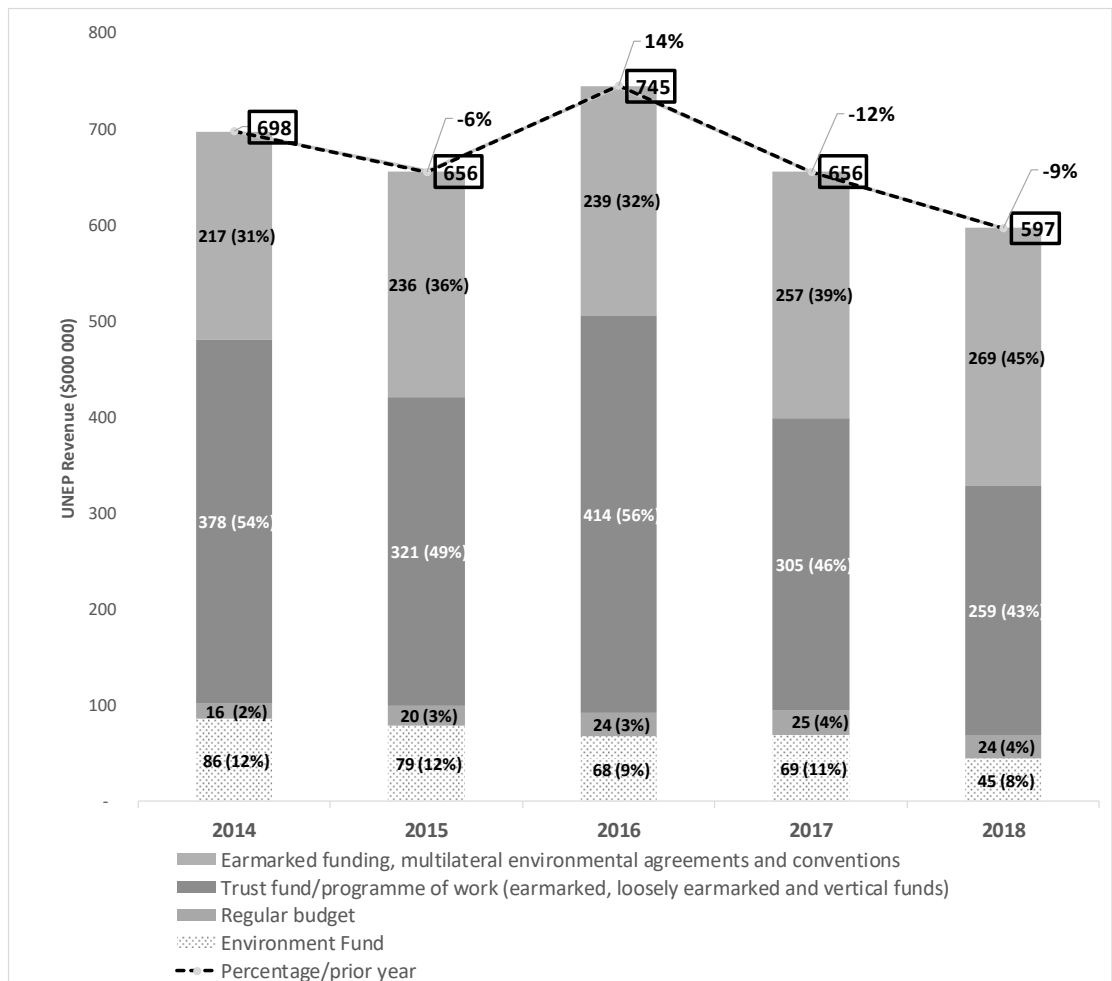
Source: OIOS compiled audited financial statements (A/70/5/Add.7, A/71/5/Add.7, A/72/5/Add.7 and A/73/5/Add.7) and 2018 UNEP data (dated 13 March 2019).

19.   Figure V below shows the distribution of financial resources by subprogramme and budget source (extrabudgetary and regular budget) in the 2018–2019 biennium.

Figure V
UNEP financial resources by subprogramme and budget source (excluding multilateral environmental agreements): 2018–2019

(Thousands of United States dollars)

Source: OIOS compilation of data (see A/72/6 (Sect. 14)).

Operating context

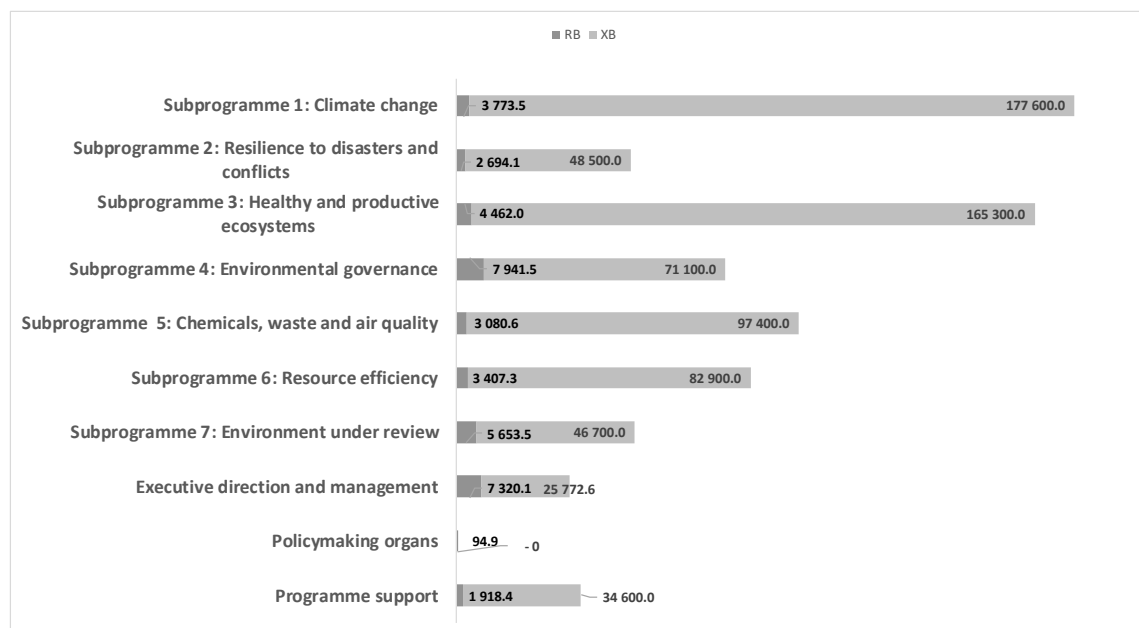20.   Despite global progress, the 2017 *Emissions Gap Report* indicated that the current commitments by the signatories to the Paris Agreement on Climate Change were inadequate to keep global warming below 2 degrees Celsius and that unprecedented and urgent actions were required.[12] In 2012, the Secretary-General noted the need for decisive leadership, and called on Governments to collaborate to balance the economic, social and environmental strands of sustainable development.[13] UNEP programmes, through the Global Environment Outlook, were to provide assessments, through consultative and collaborative processes, and to bridge the gap between science and policy by turning the best available scientific knowledge into information relevant for decision makers.[14] UNEP faces declining funding, including for its core operating budget (see figure IV above). During the period of the evaluation, UNEP operated under two Executive Directors, with an almost full change in senior management between 2016 and 2018, as well as significant reorganization.

Scope and purpose

21.   The evaluation covered the activities of UNEP during the period from 2014 to 2018 and answered the following overarching questions:

(a)   Relevance: overall, how fit-for-purpose were UNEP institutional arrangements and management approaches in supporting the work of UNEP to achieve targeted results?

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[12] See UNEP, *Emissions Gap Report 2017*.
[13] UNEP, *Global Environment Outlook: Environment for the future we want*, 2012; see foreword by the Secretary-General.
[14] Ibid, p. xix.

    (b)   Effectiveness: to what extent did UNEP institutional arrangements and management approaches contribute to its outcomes as defined and targeted in its medium-term strategy?

    (c)   Efficiency: how efficiently did UNEP harness its institutional arrangements and management approaches to optimize its ability to achieve targeted results?

    (d)   Cross-cutting issues: how adeptly did UNEP manage the internal and external factors affecting its institutional arrangements and management approaches to achieve results? To what extent did UNEP incorporate the cross-cutting issues of gender, human rights and the Sustainable Development Goals into its institutional arrangements and management approaches?

III. Methodology

22.   The evaluation employed a mixed-method approach, using the following data sources:

    (a)   Secondary analysis of monitoring and programme data: evaluations conducted by the UNEP Evaluation Office, including data from the biennial evaluation synthesis report, select internal and external evaluation reports from the 2014–2018 period and UNEP monitoring and annual reports;

    (b)   Review of key materials on institutional arrangements and management approaches: documents that guided the programme cycle, from planning and budgeting to implementation, including the medium-term strategy, the programme of work and action plans; the UNEP Programme Manual; the projects manual; and meeting materials, organization charts and reform proposals of the United Nations Environment Assembly, the Committee of Permanent Representatives and the Senior Management Team;

    (c)   Direct observations of the annual meetings of the Environmental Management Group; meetings of the Divisions and coordination meetings of the regional offices; and the October 2018 meetings of the Committee of Permanent Representatives (24–26 October 2018);

    (d)   Interviews and focus group discussions: 89 semi-structured interviews of staff and management (including multilateral environmental agreements) and 9 focus groups held in Bangkok, Geneva, Kingston, Nairobi, New York, Panama City and Paris. Interviews were held with 22 external stakeholders, including with members of the Committee of Permanent Representatives and representatives of Government partners, United Nations agencies, major groups and non-government organizations;

    (e)   Surveys: web-based survey of all UNEP staff (including the staff of the secretariats of the multilateral environmental agreements), which yielded a 42 per cent response rate.

IV. Evaluation results

Relevance

A. UNEP remains highly relevant in the context of its evolving mandates, which it has begun to integrate into its strategic planning. However, UNEP had not used internal priority setting mechanisms to operationalize all mandates in its strategic plans

UNEP remains highly relevant in the context of the new global environmental agenda and has institutional mechanisms to capture stakeholder needs

23.   UNEP remains highly relevant to global environmental challenges and policy directives provided by the United Nations Conference on Sustainable Development and the 2030 Agenda to lead on global environmental issues. Stakeholders considered UNEP to be a credible and well positioned organization in terms of promoting the environmental dimension of the Sustainable Development Goals within the United Nations.[15] All stakeholders interviewed considered UNEP knowledge products and tools, including the Global Environment Outlook,[16] the "Foresight" briefs,[17] the annual *Emissions Gap Report[18]* and specific analyses and assessments on the interface between science and policies (for example, green and circular economies and energy efficiency) to be relevant and influential on adoption of environmental policies. They agreed that the overall operating environment (see para. 20 above), presented UNEP with a unique "window of opportunity" to lead.

24.   UNEP has directives to: (a) support the United Nations Environment Assembly; (b) be custodian or co-custodian for 24 Sustainable Development Goal indicators; (c) provide science-policy interfaces and consideration of the environment in many areas; and (d) support multilateral environmental agreements. Furthermore, the 2017 Secretary-General's reform agenda requires that UNEP play a key environmental role in a reinvigorated United Nations resident coordinator system. The multitude of global policy events and agreements since 2012, summarized in table 2 below, strengthened the relevance of UNEP mandate to exert a more central and enabling role in the sustainable development system.

Table 2
Summary of significant policy directives to UNEP: 2012–2018

Time frame	Policy event	Direction to UNEP
27 July 2012	General Assembly resolution 66/288 – "The future we want"	UNEP is mandated as the leading environmental authority in the context of the multidisciplinary Sustainable Development Agenda
		UNEP is mandated to provide the secretariat for the 10-year framework of programmes on sustainable consumption and production patterns and to support the implementation efforts of Member States

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[15] UNEP, Governing Council decision 19/1 (A/52/25, chap. III, para. 45).
[16] https://www.unenvironment.org/global-environment-outlook.
[17] https://environmentlive.unep.org/foresight.
[18] https://www.unenvironment.org/explore-topics/climate-change/what-we-do/mitigation/emissions-gap-report.

Time frame	*Policy event*	*Direction to UNEP*
27 June 2014–2018	Resolutions of the United Nations Environment Assembly	Member States adopted 35 resolutions pertaining to UNEP. Many of these pertain to integrating the Sustainable Development Goals and the 2030 Agenda
1–4 September 2014	SIDS Accelerated Modalities of Action [SAMOA] Pathway (General Assembly resolution 69/15, annex)	UNEP is requested to provide technical and capacity-building assistance to small island developing States to implement
18 March 2015	Sendai Framework for Disaster Risk Reduction 2015–2030	UNEP has a lead United Nations role for overseeing programming on environmental (and ecological) risks
29 June 2015	2020 goal of the Strategic Approach to International Chemicals Management	UNEP is a lead United Nations agency in supporting Member States through the provision of chemicals management norms, policies and integrated programming: this is the overall guidance for achieving the 2020 goal of sound management of chemicals
27 July 2015	General Assembly resolution 69/313: Addis Ababa Action Agenda of the Third International Conference on Financing for Development	UNEP has a global mandate to lead transformative work programming in relation to the 2030 Agenda and Sustainable Development Goals. Specifically, interdisciplinary work on climate change and biodiversity loss
25 September 2015	General Assembly resolution 70/1: Transforming our World: the 2030 Agenda for Sustainable Development	UNEP is mandated by the General Assembly, in its resolution 70/1, to be the lead United Nations authority on the environmental dimension of sustainable development: 86 of 169 targets under the Sustainable Development Goals are concerned with environmental sustainability, with at least one environmental target being subsumed under each of the 17 Goals. UNEP has a central role in monitoring global environmental goals and related Sustainable Development Goals within the context of the high-level political forum on sustainable development
30 November– 11 December 2015	Paris Agreement adopted under the United Nations Framework Convention on Climate Change	UNEP is a lead United Nations agency in supporting countries with norms, policies and integrated climate change programming
23–24 May 2016	World Humanitarian Summit	UNEP to support countries with environmental and ecological disaster risk reduction, early warning and recovery support throughout the integrated risk management programming cycle
October 2016	Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer	Provide support to Member States in reducing emissions of powerful greenhouse gasses, hydrofluorocarbons

Time frame	Policy event	Direction to UNEP
4 November 2016	Paris Agreement on Climate Change ratified by 55 countries	UNEP to support countries to meet the goals set out in the Paris Agreement
21 December 2016	General Assembly resolution 71/231	The work of UNEP in capacity-building, technology accessibility, marine conservation and analysing and reporting on global environmental impacts is once again reinforced
9 June 2017	General Assembly resolution 71/312: "Our ocean, our future: call for action"	UNEP is a United Nations mandated co-lead on oceans monitoring and programming
August 2017	2013 Conference of Plenipotentiaries on the Minamata Convention on Mercury: treaty in force	UNEP to support the intergovernmental negotiating committee to prepare a global legally binding instrument on mercury and to provide the interim secretariat

25.   UNEP incorporated many of these policy requirements into its strategic plans, notably through the medium-term strategy process. A review of the documentation of the United Nations Environment Assembly confirmed that UNEP actions on resolutions were reported on at subsequent sessions of the Environment Assembly and meetings of the Committee of Permanent Representatives, and that policy developments were incorporated into strategic planning and priority setting practices as UNEP developed its medium-term strategy.[19] UNEP has begun to update and operationalize its medium-term strategy around its comparative advantages by focusing on greater integration of its normative frameworks, strengthening results-based management, strategic partnerships and its regional presence to better respond to local needs.[20] This includes the establishment of the subprogramme for environment under review, strengthening of the disaster and conflict, climate change and ecosystem subprogrammes, providing support for intergovernmental negotiations on the Minamata Convention and aligning subprogrammes under the relevant Sustainable Development Goals in its medium-term strategy.

26.   UNEP staff (see figure VI below) mostly concurred that the medium-term strategy was built on UNEP strengths (69.2 per cent) and was internally coherent (69.3 per cent).

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[19] In its 2015–2016 report, the Multilateral Organization Performance Assessment Network observed that the 2014–2017 medium-term strategy established a long-term vision that provided clear strategic direction.

[20] UNEP medium-term strategy 2018–2021, p. 16.

Figure VI
Staff assessment of the medium-term strategy 2018–2021

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
The medium-term strategy builds on the strengths of UNEP (i.e., areas where UNEP can have a significant impact) (n=325)	18.8	51.4	21.5	8.3
The medium-term strategy is internally coherent (i.e., the various goals and objectives are complementary and not in opposition) (n=316)	18.0	51.3	21.8	8.9
The medium-term strategy adequately links issues in peace and security, development and the environment (n=293)	14.0	47.4	28.7	9.9

Don't know/not applicable excluded ■ Strongly agree ■ Somewhat agree ■ Somewhat disagree ■ Strongly disagree

Abbreviation: n, number of respondents.

27.   In addition to providing support to the sessions of the United Nations Environment Assembly, UNEP supported regional forums that captured stakeholder needs (see figure III above). Interviewed stakeholders perceived UNEP to be engaging well through these forums. The majority of the staff surveyed (see figure VII below) concurred that the medium-term strategy was consultative (62.3 per cent), UNEP was responsive to the needs of Member States (67.9 per cent) and to key challenges and supportive of the efforts of countries to achieve the Sustainable Development Goals (65.9 per cent).

Figure VII
UNEP staff survey on responsiveness to stakeholders

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
UNEP is responsive to the needs of Member States (n=418)	16.0	51.9	25.8	6.2
UNEP priorities are well informed by scientific assessments of the most pressing environmental challenges (n=398)	18.8	48.0	25.6	7.5
UNEP focuses on what it can do best within its mandate to help countries achieve the Sustainable Development Goals (n=428)	18.2	47.7	25.9	8.2
UNEP responds to key changes in the global development and environmental landscape, emerging trends and challenges in your area (n=431)	17.6	48.3	25.8	8.4
The development process for the medium-term strategy included broad consultations with UNEP stakeholders and partners (n=300)	17.3	45.0	26.0	11.7

Don't know/not applicable excluded ■ Strongly agree ■ Somewhat agree ■ Somewhat disagree ■ Strongly disagree

Abbreviation: n, number of respondents.

Despite progress in incorporating many mandates into its strategic plans (medium-term strategies), UNEP struggled to operationalize the top-down mandates with projects developed through bottom-up needs assessments

28. Evidence from key staff interviews and reviewed documents and evaluations showed that UNEP struggled to fully connect the agreements and decisions given by the bodies described in table 2 above to projects and the needs captured in global, regional and local forums. For example, while UNEP has aligned its medium-term strategy under the Sustainable Development Goal themes and targets, it was not yet evident how UNEP support to countries in achieving the Sustainable Development Goals had been deliberately operationalized in projects during the evaluation period. However, since the indicator framework for the Sustainable Development Goals was endorsed by the General Assembly in 2017, UNEP had identified relevant outcome levels for the Goal indicators for each subprogramme in its 2020–2021 programme of work.

29. UNEP engaged well with its stakeholders, however, there was no mechanism to adequately capture and prioritize stakeholder needs, consider emerging issues and the UNEP comparative advantage, based on its mandate, and then integrate stakeholders needs into a coherent operational framework to deliver on its programme of work. All interviewed members of the Committee of Permanent Representatives and the Major Groups Facilitating Committee, and some staff, particularly at the regional offices and within the multilateral environmental agreements, were critical of consultations on the medium-term strategy and programme of work, which were perceived as being carried out too late to meaningfully establish strategy and priorities. Interviewed staff perceived the development of UNEP programme of work as mainly a top-down process, while needs were captured bottom-up at the regional and subregional levels.

30. Interviews with stakeholders and staff highlighted ongoing concerns with the ability of the strategic planning process to capture mandates within the medium-term strategy and the programme of work and to operationalize them into projects; for example:

(a) UNEP special initiatives [21] were not evenly integrated into UNEP operations and reporting: while presented in the programme of work, evidence from interviews and documents showed that this work was not well supported and linked to other activities of UNEP and that results were underreported to the United Nations Environment Assembly;

(b) Potential synergies with UNEP-hosted multilateral environmental agreements were not adequately considered in the UNEP programme of work: with separate governing bodies, synergies between UNEP and the programmes of work of the multilateral environmental agreements were historically not adequately capitalized on. Interviewed staff, including staff of the multilateral environmental agreements, indicated that while the medium-term strategy was broadly written, even the more detailed programme of work did not always articulate the needs of their constituents, nor was their performance considered alongside UNEP achievements. However, UNEP provided evidence that multilateral environmental agreements were consulted on the 2020–2021 programme of work;

(c) Emerging issues identified through UNEP flagship scientific products were not systematically linked to the United Nations Environment Assembly, the Committee of Permanent Representatives and discussions among the members of the Senior Management Team: interviewed stakeholders and staff were unclear on how UNEP flagship products (for example, the Global Environment Outlook, the "Foresight" briefs and the annual *Emissions Gap Report*) fed into UNEP priority-

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[21] See, for example, contribution of the Climate & Clean Air Coalition to the 10 Year Framework of Programmes on Sustainable Consumption and Production Patterns.

setting processes, including into projects and global policy priorities, beyond references in the medium-term strategy. As the programme of work is approved by the United Nations Environment Assembly biennially, there is no interim mechanism to approve changes in response to emerging issues;

(d) UNEP programme of work was aligned to the 2030 Agenda, but not fully operationalized: the Sustainable Development Goals were linked and referenced progressively in planning exercises, including through aligning UNEP subprogrammes in the medium-term strategy 2018–2021 to particular Sustainable Development Goals, with specific indicators in the programme of work for 2020–2021. However, interviewed staff and external stakeholders were critical of previous cycles where no deliberate decisions were taken to develop projects with UNEP specific goals, indicators and activities that will support the efforts of Member States to achieve the Sustainable Development Goals.

31. In addition, while broadly aligned to UNEP goals, projects were not always guided by assessments of UNEP comparative advantages or project sustainability.[22] An inadequate connection between the strategic planning process and project selection compromised the ability of UNEP to select appropriate projects that provide the best leverage of its expertise and fulfil stakeholder needs. Interviewed staff, and some external stakeholders, confirmed that projects did not always reflect a coherent strategy on how best to achieve UNEP objectives, which impacted sustainability and funding. A declining trend in the likelihood of impact and overall sustainability of results of UNEP projects from 2014–2017 is illustrated in table 3 below.

Table 3
Likely or better ratings of evaluated UNEP projects: 2014–2017

Year	Likelihood of impact (Percentage)	Overall sustainability of project outcomes (Percentage)
2014	65 (n = 17)	37 (n = 19)
2015	36 (n = 28)	32 (n = 25)
2016	38 (n = 39)	49 (n = 39)
2017	43 (n = 37)	29 (n = 35)

Source: UNEP Evaluation Office, evaluation synthesis report (2014–2017), April 2018 (figures 23 and 26).
Abbreviation: n, number of respondents.

The strategic planning process was weakly connected to UNEP priority setting mechanisms

32. While UNEP has several internal mechanisms for making strategic decisions about priorities and funding, they are disjointed and do not fully support the goals of the medium-term strategy and the programme of work. The mechanisms and their challenges include:

(a) Senior Management Team and Leadership Committee: The Senior Management Team is composed of all senior directors, including the Directors of the regional offices, while the Leadership Committee includes the members of the Senior Management Team and the heads of the secretariats of the multilateral environmental agreements. A review of the minutes of the meetings held in the 2017–2018 biennium and interviews with those attending the meetings revealed that funding, priority

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[22] UNEP, Evaluation synthesis report (2014–2017) (figures 17, 20 and 23).

setting and progress on the programme of work or performance reviews to inform priorities and decision-making were rarely discussed;

(b)   Project Review Committee: UNEP projects were articulated through project documents and submitted to the Committee for approval. While 59 per cent of surveyed staff considered the Committee to be a good corporate mechanism for approving projects, some staff who developed project documents raised concerns that project documents broadly estimated project resources (internal and from donors). This disconnect between what is approved by the Committee and what materializes afterwards made it difficult for the Committee to take strategic results-based management decisions on where to focus efforts in times of resource scarcity;

(c)   Budget Review Committee: The Budget Review Committee recommended the allocation of non-earmarked and loosely earmarked funding to specific UNEP themes or operations. Table 4 below shows that the Budget Review Committee recommended allocations for 2018. A review of Committee governance and meeting minutes suggested that decisions were not guided by UNEP strategy for delivering the intended results of the programme of work. No rationale was provided for decisions regarding the allocation of funding for proposals submitted in terms of project results and impacts.[23] Interviewed staff familiar with the processes of the Committee suggested that funding may have flowed more easily to project proposals in offices that were represented on the Committee or to "initiatives/priorities" of the Executive Director established outside of the UNEP priority setting process. Of staff familiar with the work of the Committee who were surveyed, 72 per cent considered it to be ineffective at strategically allocating resources.

Table 4
Budget Review Committee: allocation of loosely earmarked funds to UNEP for 2018

| Division/ Regional Office	Available SIDA funds	Available Norway funds	Funds requested	Funds recommended	Percentage of recommended/ requested
Executive Office/Principal Legal Office		297 000	297 000	297 000	100
Corporate Services Division/Green Climate Fund		361 800	361 800	361 800	100
Governance Affairs Office/Secretariat of Governing Bodies (Private Sector)		617 960	867 960	617 960	71
Communication Division	125 000	848 000	1 516 000	973 000	64
Economy Division	1 160 000	1 760 000	5 700 000	2 920 000	51
Ecosystem Division	1 025 000	1 261 000	3 888 000	2 286 000	59
Law Division	480 000	186 000	1 050 000	666 000	63
Policy and Programmes Division		2 725 200	2 803 200	2 725 200	97
Science Division	100 000	1 632 600	4 073 000	1 732 600	43
Africa Office	260 000	148 722	570 722	408 722	72
Asia and the Pacific Office	200 000	866 000	2 450 000	1 066 000	44
Europe Office		245 000	421 360	245 000	58
Latin America and the Caribbean Office		587 000	1 760 000	587 000	33
North America Office		212 000	215 000	212 000	99
West Asia Office		294 000	450 000	294 000	65
Grand Total	**3 350 000**	**12 042 282**	**26 424 042**	**15 392 282**	**58**

Source: UNEP, decision of the Budget Review Committee, May 2018.

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[23]   Budget Review Committee minutes (12 March, 21 March, 3 April and 16 April 2018).

33. Ensuring that UNEP strategic priorities inform decisions on resource allocation had been a longstanding issue reported by OIOS in 2016[24] and in UNEP evaluations from 2015 through 2017.[25]

34. External and staff interviews confirmed that priority setting, and organizational visioning were isolated from both the strategic planning and project selection mechanisms. Staff, including at senior levels, expressed concern over the lack of a common vision to guide coordination, operationalization, funding and implementation of the UNEP programme of work. Staff survey responses, shown in figure VIII below, reveal that while their own managers mostly set clear strategic vision (58.8 per cent), there were widespread perceptions of lack of common vision (70.7 per cent) and the negative effects of changing priorities on UNEP quality of work (59.9 per cent).

Figure VIII
Staff assessments of UNEP vision and changing priorities
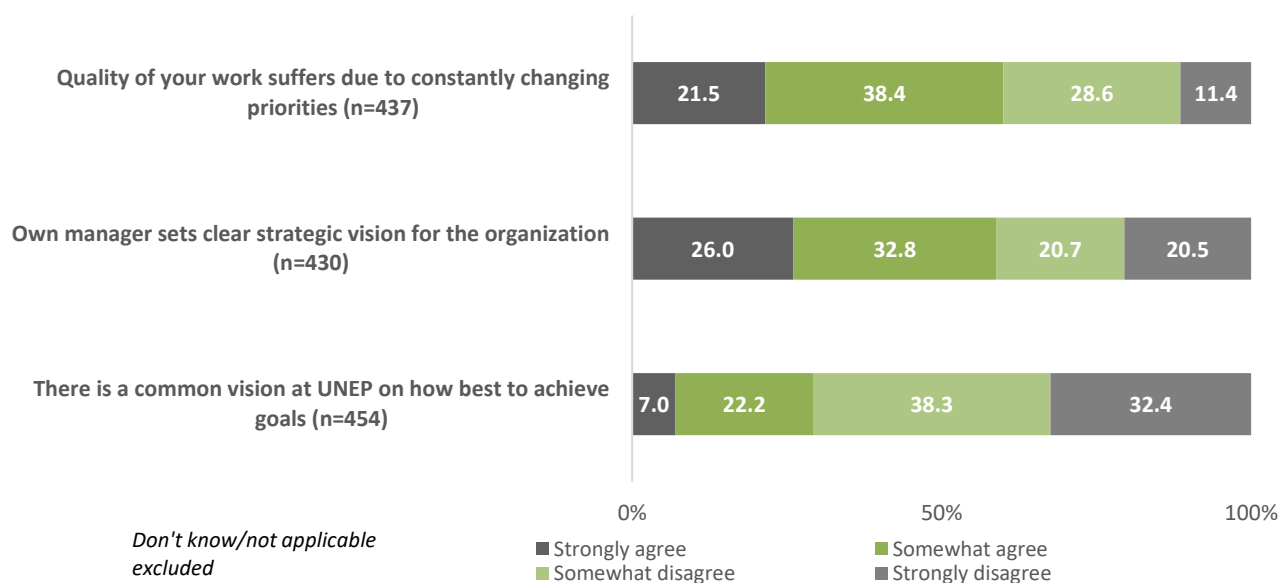
Abbreviation: n, number of respondents.

Efficiency

B. The role of UNEP in global environmental issues increased, but its funding model remained unstable

Despite increased global environmental roles, core funding was less stable as UNEP has not focused on implementing its resource mobilization funding model and strategy, which has impacted its ability to set and respond to priorities

35. After the United Nations Conference on Sustainable Development, held in 2012, and the adoption of the 2030 Agenda in 2015, UNEP was expected to attract stable,

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[24] See E/AC.51/2016/2, recommendation 4; OIOS reported that UNEP had not fully established clear and transparent criteria for allocating resources to activities in the thematic priority areas or taken advice from subprogramme coordinators into account.

[25] UNEP evaluation of the climate change subprogramme, 2015.

adequate and increased financial resources from the regular budget and from voluntary contributions to meet the enhanced requirements of its mandate.[26]

36. In its medium-term strategies for 2014–2017 and 2018–2021, UNEP outlined a business model whereby it would work through partnerships to expand its reach and to leverage greater impact. This meant working in a more strategic and coordinated manner with partners throughout the United Nations system and the secretariats of multilateral environmental agreements.[27] However, UNEP did not have adequate corporate focus and commitment from senior management and had therefore struggled to implement a business model that adequately funded the core work needed to assume its leadership role.

37. To operationalize the resource mobilization business model, UNEP developed a resource mobilization strategy in 2013 (revised in November 2017) and developed a partnership policy in 2017 as part of its Programme Manual. The guidance on private sector partnerships has not been issued.

38. The objective of the resource mobilization strategy was to ensure that funds were available to implement the medium-term strategy and programme of work for 2018–2021, focus UNEP resource mobilization activities and work and guide staff on fundraising. The strategy identified clear targets and actions for the various fund types, which required UNEP to develop strategic partnerships (including with Member States and the private sector) and to identify new fundraising possibilities.[28] Interviewed staff confirmed there was no substantive support or commitment to the resource mobilization strategy, and that it did not meet the 2018 implementation target[29] (see staff assessments of policy support in table 5). As a result, the targets set out in the resource mobilization strategy for the various contribution types were not achieved.

39. Despite the universal mandate of the United Nations Environment Assembly, figure III above illustrates a decline in contribution trends. Furthermore, figure IX below illustrates that the number of Member States and entities contributing to UNEP funds, both the flexible Environment Fund and the earmarked funds, has declined significantly.
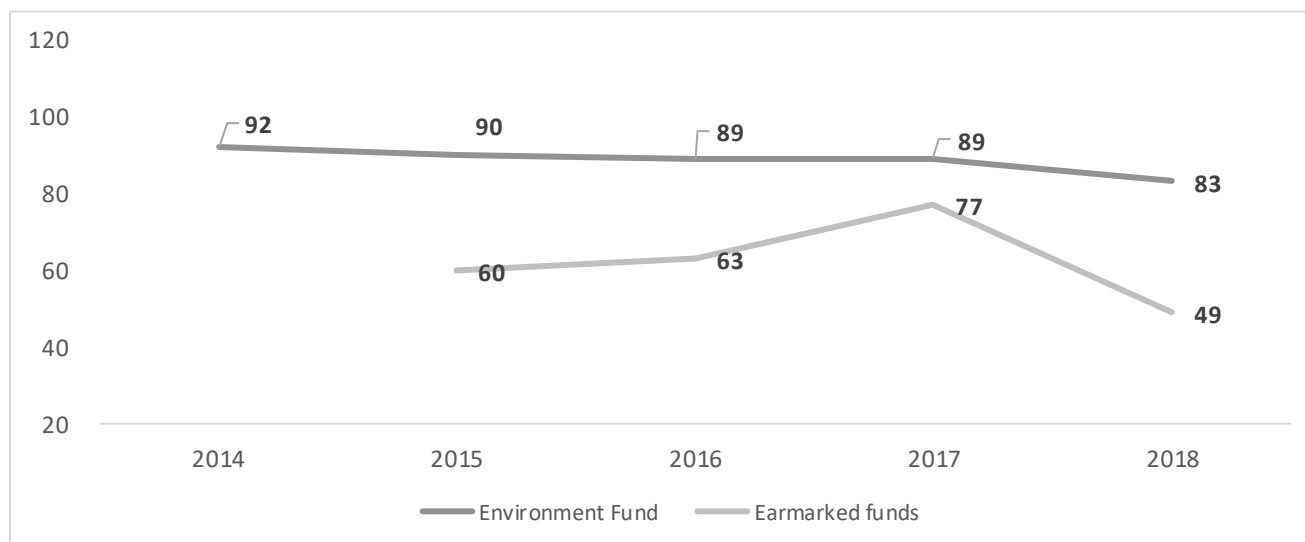
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[26] General Assembly resolution 66/288, annex, para. 88 (b).
[27] Medium-term strategy 2014–17, funding strategy.
[28] Resource mobilization strategy p. 3–7.
[29] Resource mobilization strategy p. 2.

Figure IX
Number of countries contributing to the Environment Fund and earmarked funds: 2014–2018

Source: www.unenvironment.org/about-un-environment/funding/why-invest-us/your-contributions.

40. Unable to grow the Environment Fund, UNEP relied heavily on earmarked funding. Interviewed external stakeholders and staff agreed that this had significantly hindered the organization's flexibility to respond to requests from Member States for core activities, including areas related to science, policy expertise and capacity-building support. For example, as shown in table 1 above, the Environment under review subprogramme was one of the least funded and staffed subprogrammes, receiving 7 per cent of the budget during the 2018–2019 biennium, despite the fact that the medium-term strategy indicated that it was a core priority to empower Governments with quality data and information. Staff interviewed noted that policy analysis, environmental emergencies, communication and advocacy and the Global Environment Outlook flagship products, which are core activities, were not attractive to donors and were therefore underfunded.

41. The shortage of funding resulted in UNEP focus shifting to donor priorities, using earmarked funding and meeting donor requirements to demonstrate tangible results but not necessarily catalysing change and/or responding to mandated needs and priorities related to UNEP science and policy expertise.

42. Meanwhile, UNEP partnership policy required project managers to seek out and use partnerships to maximize synergies, leverage additional resources and increase efficiency through local institutions to enhance capacity-building activities and increase the sustainability of outcomes at the global, regional and national levels. However, this policy was weakly supported, unclear and inconsistently managed (see result C). UNEP had not developed adequate strategic partnerships to make the policy effective. Internal and external interviewees expressed concern that, as a result of inadequate guidance, questionable partnerships were made in recent years. UNEP could not provide a consolidated list of partners for the 2014–2018 period.

43. Interviewed UNEP staff, including those working on Global Environment Facility projects, indicated that UNEP strategic partnerships with entities could be better leveraged for greater impact, for example, partnerships with the Global Environment Facility and the Green Climate Fund required more attention from UNEP leadership and increased staff training to ensure that the partnerships are in line with the UNEP mandate and programme of work. Projects funded by the Global

Environment Facility were seen to be aligned with the objectives of the Facility itself, and, although linked to the UNEP programme of work, were not always optimally supporting UNEP goals. The Facility represented 48 per cent of 2018 earmarked funds to UNEP, although, as shown in figure X below, such funding has declined by 32 per cent from 2016. The decline may be the result of increased competition for environment-related funding (see figure XII below), as well as vacant portfolio manager positions at the Facility and foreign exchange shortfalls in amounts received.

Figure X
Global Environment Facility: funding commitments to UNEP (2014–2018)
(Thousands of United States dollars)
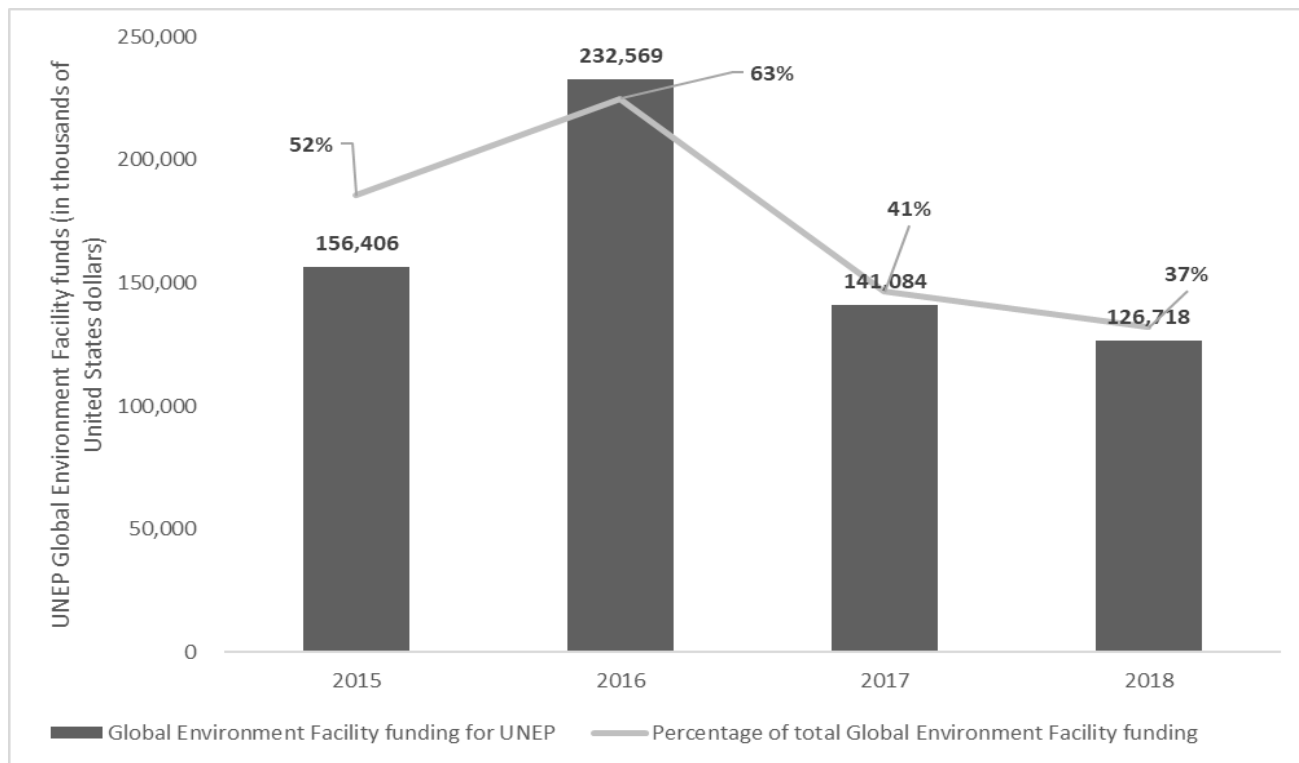
Source: www.unenvironment.org/about-un-environment/funding/why-invest-us/your-contributions.

Competition for funding within UNEP and between UNEP and other United Nations agencies has created inefficiencies and incoherence

44. To address the project funding shortfall and to secure resources required to fund posts, staff cited concerns that there was significant competition within UNEP for funding, without consideration as to the strategic positioning of the organization's work. Programme managers reported having their own approach to fundraising, often without consideration of the weakly implemented corporate resource mobilization strategy. Some staff suggested that reliance on corporate fundraising would put their resources and posts at risk. Staff reported, and members of the Committee of Permanent Representatives confirmed, approaching the same donors for different project funding, which showed lack of corporate cohesiveness, discipline and direction on fundraising.

45. Competition for the same resources may have created a work culture of rivalries within the organization, and a barrier to collaboration between the divisions on commonly held results. The inefficiencies resulting from competition within UNEP and between UNEP and other United Nations agencies was acutely visible in staff

assessments, revealing the inability of the organization to minimize competition between its organizational units (78.4 per cent) and with other United Nations agencies (82.6 per cent) (see figure XI below).

Figure XI
UNEP staff assessments of resource competition

Competition for donor resources between individual UNEP subprogrammes/divisions/offices is minimized (n=334)	2.7	18.9	39.2	39.2
Competition for donor resources between UNEP programmes and other United Nations system entities is minimized (n=334)	3.3	14.1	39.5	43.1

0%   50%   100%

Don't know/not applicable excluded ■ Strongly agree ■ Somewhat agree ■ Somewhat disagree ■ Strongly disagree
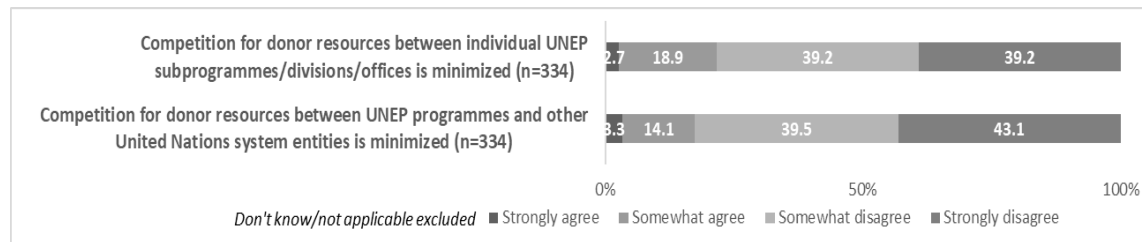
Abbreviation: n, number of respondents.

46. The importance of integrating environment to sustainable development placed UNEP at the centre of all areas of the United Nations sustainability agenda. Ideally, this would have fostered cooperation among United Nations agencies working on environmental issues. There were prominent examples of such collaborations, including: the Partnership for Action on Green Economy, with the International Labour Organization, the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO) and the United Nations Institute for Training and Research; the Poverty and Environment Initiative with UNDP; and the Reducing Emissions from Deforestation and Degradation initiative with the Food and Agriculture Organization of the United Nations and UNDP. However, the lack of a clear strategy for UNEP priorities or on how best to leverage its comparative advantages versus larger organizations with country presence, has resulted in a competition for resources, barriers to collaboration and competition over the leading roles for programme and financial implementation among United Nations agencies.

47. Figure XII below shows an increase in the number of competing partners in the Global Environmental Facility, from three during its first cycle to 18 at its sixth cycle: five of the partners at the sixth cycle were competing United Nations agencies.[30]

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[30] Food and Agriculture Organization of the United Nations, UNDP, UNEP, UNIDO and the World Bank Group.

Figure XII
Number of funding partners of the Global Environmental Facility: first to sixth cycles

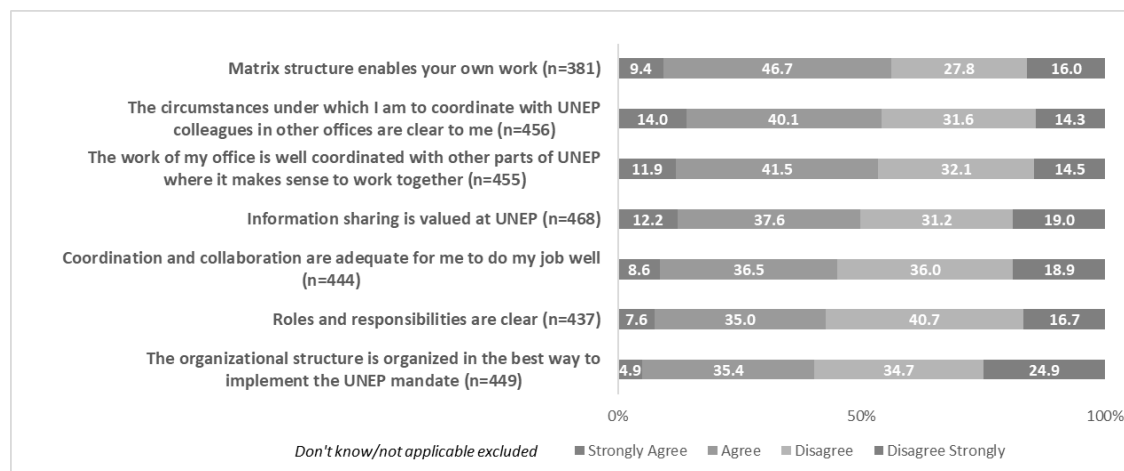|	Cycle 1	Cycle 2	Cycle 3	Cycle 4	Cycle 5	Cycle 6
	3	5	8	11	15	18

■ Number of funding partners per cycle

Source: https://www.thegef.org/projects.
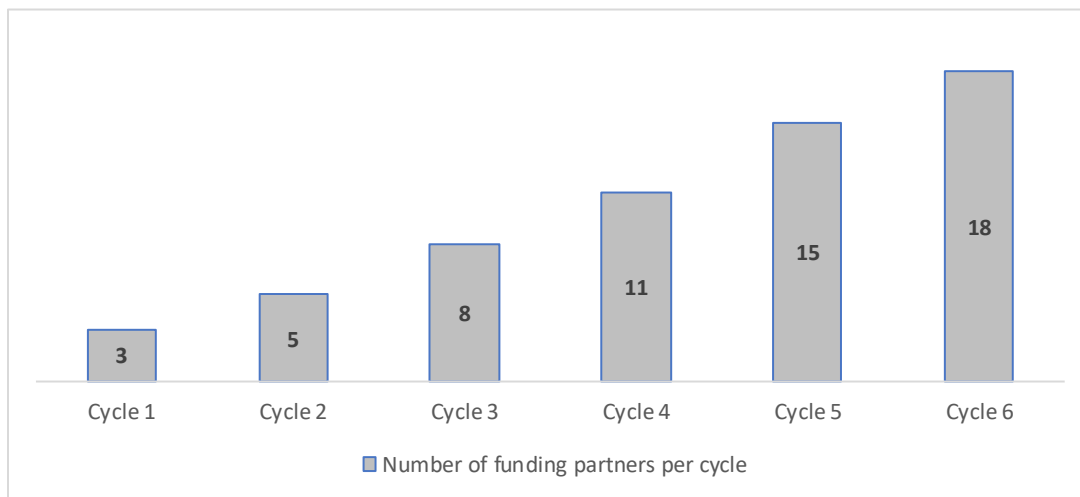
Efficiency and effectiveness

C. UNEP institutional arrangements and management approaches facilitate coordination. However, while UNEP has policies in needed areas, lack of accountability, unclear roles and responsibilities, incomplete change management efforts and inadequate support for policy implementation has hindered their effectiveness

Matrix structure facilitated coordination, though reforms introduced without adequate change management processes left accountability for key functions unresolved

48. The matrix structure, described in paragraph 11 and in table 2 above, is a central feature of UNEP institutional arrangements. Interviewed staff considered it important for achieving UNEP results, although difficult to implement. Staff noted that it was a mechanism for collaboration and that it fostered synergies. Examples of collaboration across divisions, subprogrammes, regional offices and multilateral environmental agreements, included the work on SWITCH (Sustainable Water Management Improves Tomorrow's Cities' Health) programming in Asia, the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries and internal coordination between the Chemicals and Health Branch and Ecosystems Division, the secretariats of the Basel, Rotterdam, Minamata and Stockholm Conventions, as well as the secretariat of the Convention on International Trade in Endangered Species of Wild Flora and Fauna. However, as shown in figure XII below, while over half of the staff surveyed (a) agreed that the matrix structure enabled their work (56.1 per cent) and that it was clear when they should coordinate (54.1 per cent) and (b) assessed the level of inter-office collaboration positively (53.4 per cent), agreement was weaker on (c) adequacy of collaboration (45.1 per cent), (d) clarity of roles and responsibilities (42.6 per cent) and (e) effectiveness of organizational structures (40.3 per cent).

Figure XIII
Staff assessments of matrix structure and coordination between UNEP offices

	Strongly Agree	Agree	Disagree	Disagree Strongly
Matrix structure enables your own work (n=381)	9.4	46.7	27.8	16.0
The circumstances under which I am to coordinate with UNEP colleagues in other offices are clear to me (n=456)	14.0	40.1	31.6	14.3
The work of my office is well coordinated with other parts of UNEP where it makes sense to work together (n=455)	11.9	41.5	32.1	14.5
Information sharing is valued at UNEP (n=468)	12.2	37.6	31.2	19.0
Coordination and collaboration are adequate for me to do my job well (n=444)	8.6	36.5	36.0	18.9
Roles and responsibilities are clear (n=437)	7.6	35.0	40.7	16.7
The organizational structure is organized in the best way to implement the UNEP mandate (n=449)	4.9	35.4	34.7	24.9

Don't know/not applicable excluded

Abbreviation: n, number of respondents.

49.   Although the matrix structure was adjusted in 2016, these changes did not resolve the challenges identified by UNEP evaluations. A review of organization charts and policy memorandums, as confirmed during staff interviews, indicated the following challenges:

(a)   High transaction costs for information-sharing and coordination: the matrix structure required significant resources to implement, including multiple telephone calls, emails and procedures to work across offices;

(b)   Unclear accountability for subprogramme results across multiple units: until 2017, accountability for funding for the programme of work resided with the divisions and regional offices, while accountability for subprogramme results resided with the subprogramme coordinators assigned to the Policy and Programmes Division to support their cross-cutting functions. In 2017, to align accountabilities for results with funding, reporting by the subprogramme coordinators was shifted to the host divisions (see para. 12 above). This resulted in unclear accountability for subprogramme results residing outside the host divisions of the subprogramme coordinators, and without solving resource challenges. Additionally, staff frequently cited the realignment of the reporting by the subprogramme coordinators as an inherent conflict of interest since the work of the subprogrammes remained cross-cutting;

(c)   No single system provided a full view of the work of UNEP under the matrix approach: UNEP did not have a consolidated project management database reflecting the matrix structure, with clear accountabilities, roles and linkages to subprogrammes, divisions and regional offices. Staff were therefore unaware of the activities of other divisions/regional offices and how they impacted their work. At the meetings of the Committee of Permanent Representatives, members also observed the articulation of this challenge. UNEP was developing a system, though the timeline was unknown;

(d)   Risk of conflict of interest in the positioning of the disaster and conflict subprogramme: the substantive subprogramme was placed under the Policy and Programmes Division, which was mainly responsible for providing guidance on planning, monitoring and reporting, including resource allocation.

50. According to internal reports, during 2017, UNEP also began reforming other institutional arrangements to "bring the work closer to the people it serves …, decentralize power to regional and subregional offices …, have less hierarchy … and simplify procedures."[31] Task groups under the advisory committee on reform researched issues and provided recommendations to the Executive Director.

51. Reforms included the abolishment of the Regional Coordination Office, adding the Regional Directors on the Senior Management Team and providing additional operational funds for regional activities: this strengthened regional offices and subregional offices and provided better connections to the country's work, the United Nations country team and linkages to government ministers. However, the relationship between regional and subregional offices and substantive divisions remained contentious. Review of UNEP reform, budget documents, memorandums and policies between 2013 and 2018, and UNEP evaluations, highlighted the following unresolved challenges:

(a) Clarity of responsibilities between regional offices and the divisions: staff of substantive divisions and regional offices responsible for the programme of work described competing roles for regional offices/and subregional offices in (a) gathering intelligence and cultivating relationships as opposed to (b) developing and delivering funded projects in the regions. Interviewees reported that this resulted in uncoordinated development and implementation of the programme of work, with limited consultation between divisions and regional offices, and with some regional offices unable to contribute to the programme of work in terms of data input on country needs, political climate and culture;

(b) Unclear resourcing strategy for the regional and subregional offices: resourcing for regional projects between divisions and the regional offices was unclear. Restricted funding for regional and subregional offices to enhance their capacity resulted in the regional offices having to fundraise for their activities (result B). Additionally, it was unclear how the UNEP strategy for the regional and subregional offices would work in the context of the Secretary-General's reform of the resident coordinator system and the incorporation of United Nations Development Assistance Frameworks.

52. While some surveyed staff with direct experience with the reforms at the regional offices reported improvement in their ability to deliver results, others were less positive (see figure XIV below).

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[31] UNEP internal email from the Executive Director (5 September 2017) on reform at UNEP.

Figure XIV
Effect of UNEP reforms on the ability of staff to deliver results

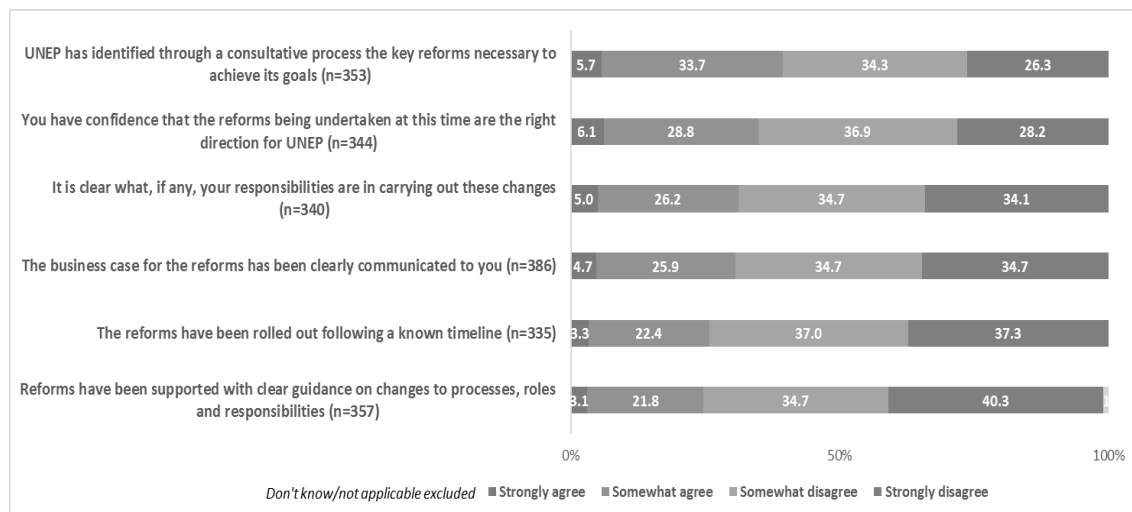|	Greatly improved	Somewhat improved	Somewhat hindered	Greatly hindered	No changes implemented
Enhancing engagement with the private sector (n=140)	15.0	52.1	13.6	9.3	10.0
Enhancing country presence with increased number of subregional offices (n=98)	15.3	43.9	17.3	11.2	12.2
Streamlined process for clearing legal instruments such as partnerships and memorandums of understanding (n=165)	15.2	43.6	27.3	9.1	4.8
Strengthening the regional offices (n=164)	11.6	39.6	24.4	11.0	13.4
Corporate financial budget formulation/allocation process (Environment Fund, regular budget, overhead trust account, and programme (cooperation agreements) (n=116)	12.9	37.1	22.4	20.7	6.9
Engaging consultants and individual contractors (n=197)	6.1	43.1	21.8	13.2	15.7
Refining the matrix system so that sub-programme coordinators are hosted by Divisions (n=112)	8.9	38.4	25.0	17.0	10.7

Don't know/not applicable excluded

Abbreviation: n, number of respondents.

53. Furthermore, a review of reform documents, interviews and the staff survey confirmed that UNEP paid inadequate attention to change management. This resulted in disorganized implementation, further confusion over roles and responsibilities, unclear guidance and negative assessments by the majority of staff on all assessed aspects of UNEP change management (see figure XV below).

Figure XV
UNEP staff assessments of change management related to internal reforms

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
UNEP has identified through a consultative process the key reforms necessary to achieve its goals (n=353)	5.7	33.7	34.3	26.3
You have confidence that the reforms being undertaken at this time are the right direction for UNEP (n=344)	6.1	28.8	36.9	28.2
It is clear what, if any, your responsibilities are in carrying out these changes (n=340)	5.0	26.2	34.7	34.1
The business case for the reforms has been clearly communicated to you (n=386)	4.7	25.9	34.7	34.7
The reforms have been rolled out following a known timeline (n=335)	3.3	22.4	37.0	37.3
Reforms have been supported with clear guidance on changes to processes, roles and responsibilities (n=357)	3.1	21.8	34.7	40.3

Don't know/not applicable excluded

Abbreviation: n, number of respondents.

UNEP has policies for most of its institutional arrangements and areas of work, however, their effectiveness has been hindered by a weak internal control environment and incomplete support for implementation

54. The effectiveness of policies to guide UNEP operations was hindered by a weak internal control environment. Staff interviews revealed that policies and procedures were not supported with adequate guidance or communication on how to

operationalize them. Thus, policies were unevenly applied across the organization. The most frequently cited areas with unsupported policies were:

(a)   No training or guidance on project administration: projects were not developed, approved and implemented consistently as staff were not provided adequate guidance and were not trained. As a result, project documents did not consistently support results-based management and strategic discussions on organizational priorities;

(b)   Unclear partnership policy: the partnership policy was unclear, particularly for application to multilateral environmental agreements, and therefore difficult to implement. Staff suggested that the new approach, including the use of the Partners Portal, had unclear responsibility and accountability structures for partnership agreements, increasing the bureaucratic burden and the risks UNEP took in engaging with the private sector. Additionally, the responsibility for oversight of partnership agreements was split between the Governance Affairs Office and the Corporate Services Division, which added to the confusion.

55.   Table 5 below shows staff assessments of policy utility, level of application and clarity.

Table 5
Staff assessments of UNEP policies applicable to their work

(Percentage)

Policy	Helpful to own work	Clear and well defined	Fully implemented in own office	Partially implemented in own office
Results-based management	81	74	36	54
Accountability framework	76	67	41	49
Gender and human resources	73	71	46	43
Safeguards	73	65	33	54
Partnerships	73	57	37	55
Communications and advocacy	73	54	32	58
Strengthening the UNEP strategic regional presence	70	41	29	52
Civil society and indigenous peoples	69	63	29	56
Knowledge management	65	40	22	55
Human resources	64	57	37	52
Enterprise risk management	54	36	22	51
Resource mobilization	53	30	18	57

Source: OIOS staff survey.

56.   UNEP approaches to implementing United Nations Secretariat rules in project administration were uneven and not well suited to delivering UNEP projects. Staff noted an inability to track projects, shortcomings with Umoja (absence of project management tools and user-friendliness) and varying interpretations of Secretariat policies and procedures, resulting in untimely spending of funds and inaccurate financial reporting. Administration staff noted absence of standard operating procedures to support policies.[32] While external stakeholders were satisfied with their collaborations with UNEP, they too observed similar challenges with project administration.

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[32] Several offices were developing standard operating procedures, although without coordination with UNEP headquarters or other offices.

57. UNEP evaluations frequently cited concerns with unclear and inconsistent application of UNEP and secretariat rules and procedures, summarized in table 6 below.

Table 6
Satisfactory or better ratings of selected aspects of evaluated projects: 2014–2017

Year	Efficiency (includes administration) (Percentage)	Supervision, guidance, technical backstopping (Percentage)	Financial planning and management (Percentage)
2017	47 (n = 38)	72 (n = 38)	42 (n = 36)
2016	55 (n = 39)	55 (n = 39)	51 (n = 38)
2015	52 (n = 30)	76 (n = 30)	53 (n = 30)
2014	62 (n = 20)	89 (n = 20)	75 (n = 18)

Source: UNEP Evaluation Office, evaluation synthesis report (April 2018) (figures 30, 48 and 51).
Abbreviation: n, number of respondents.

58. Staff surveyed were largely dissatisfied with the application of policies and procedures and their effect on project administration, as shown in figure XVI below.

Figure XVI
UNEP staff assessment of policies and procedures
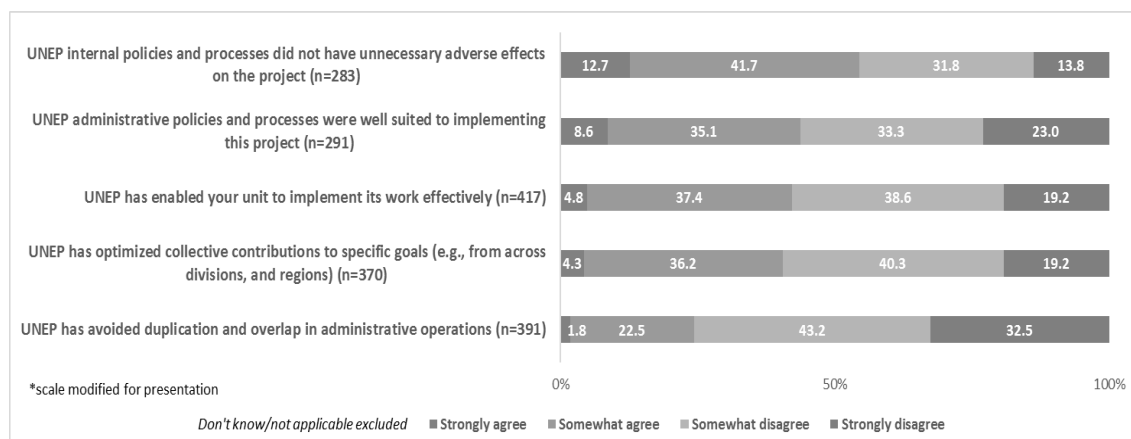
Abbreviation: n, number of respondents.

Effectiveness

D. UNEP effectively delivered scientific assessments, policy advice and technical capacity-building to Governments, with visible outcomes. However, weakly implemented knowledge management strategy and uneven results-based management practices hindered effectiveness

UNEP achieved significant results but did not fully implement a knowledge management strategy to disseminate policies, practices and results for replication across the organization and to stakeholders

59. The UNEP programme performance reports for the 2014–2015 and 2016–2017 bienniums indicate that the organization had achieved 79 per cent and 65 per cent of its targeted indicators, respectively. Consistent with external stakeholders and staff interviews, these reports highlighted changes by Governments and the private sector

that were influenced by UNEP reports, policy support, data, tools and analysis, often provided with support from partners. Table 7 below highlights selected UNEP self-reported achievements.

Table 7
**Selected examples of self-reported UNEP achievements: 2016–2017**

Subprogramme	Number of countries adopting selected actions reported by UNEP
Climate change	46 countries implemented ecosystem-based adaptation measures
	24 countries transferred advanced renewable energy and energy-efficient technologies
	23 countries developed, adopted or implemented national strategies to reduce emissions from deforestation and forest degradation
Disasters and conflicts	29 countries reduced risk from natural disasters, industrial accidents and conflicts
	28 countries assessed, responded to or recovered from natural disasters, industrial accidents and conflicts
Ecosystems management	45 countries incorporated health and productivity of ecosystems into policy frameworks
	36 countries with enabled sectors to use an ecosystems approach to managing aquatic systems
	28 members of the Global Peatlands Initiative (initiated by UNEP) received support from the UNEP Science Division
Environmental governance	80 countries received support on environmental data, training country teams and programme implementation
	12 countries part of the Poverty and Environment Initiative integrated poverty and environment-related objectives into national policy planning and budgeting processes
Chemicals and waste	128 signatories and 88 ratifications of the Minamata Convention on Mercury by the end of the 2016–2017 biennium
	39 Governments addressed waste issues, including obligations under multilateral environmental agreements
Resource efficiency	42 countries, 19 counties/cities and 5 regions adopted and/or started to implement sustainable consumption and production action plans or green economy pathways since 2011
	15 countries developed sustainable consumption and production action plans supported by the SWITCH initiative (Sustainable Water Management Improves Tomorrow's Cities' Health)
	20 countries adopted/initiated sustainable public procurement strategies
Environment under review	Over 900 indicators on the environment available for policymakers on the "Environment Live" online data platform (https://environmentlive.unep.org/)
	Supporting the United Nations Statistics Division and all five regional commissions to strengthen national reporting

Source: UNEP: Programme Performance Report 2016–2017.

60. UNEP also emphasized gender and human rights. On gender, UNEP was guided by its policy and strategy for gender equality and the environment (2015), which was given a high rating by staff (see table 5 above). By 2017, UNEP had met 12 of the 15 indicators contained in the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women,[33] appointed gender focal points and incorporated gender into its medium-term strategy and projects.[34] In addition, UNEP strengthened its focus on human rights. At its thirty-seventh session, the Human Rights Council adopted resolution 37/8, strengthening the mandate of the Special Rapporteur of the Human Rights Council on human rights and the environment and encouraging further coordination with UNEP. High-level and corporate UNEP evaluation reports showed that UNEP has adhered to United Nations-wide principles on human rights. While human rights were not mentioned in the UNEP annual reports in 2016 and 2017, they were included in the proposed programme of work for 2020–2021.

61. Staff and stakeholders reported that UNEP delivered high quality outputs to its beneficiaries. Surveyed UNEP staff gave positive assessments of projects they delivered and the expected results for beneficiaries (see figure XVII below).

Figure XVII
UNEP project staff assessments of own implemented projects
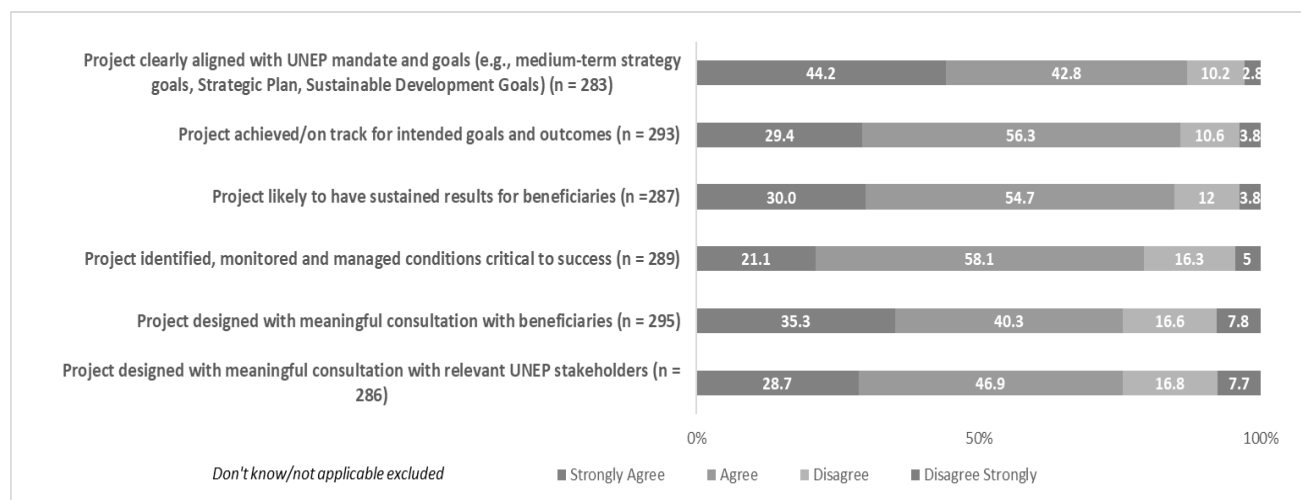
Abbreviation: n, number of respondents.

62. UNEP achieved results by leveraging its convening role, interacting with Governments and providing technical expertise through partnerships. The combination of UNEP expertise and shared governance with key United Nations agency partners for project implementation enabled more effective engagements with multiple government ministries. Examples of this effective modality included: the Reducing Emissions from Deforestation and Degradation mechanism, the Programme for the Advancement of Girls Education, the 10-Year Framework of Programmes on Sustainable Consumption and Production and the Poverty and Environment Initiative, as well as special initiatives and synergies from capacity-building through the multilateral environmental agreements and collaborations such as the Tropical Landscapes Bond and the Brazzaville Declaration on Science and Technology in

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[33] UNEP, Evaluation Office, evaluation synthesis report 2016–2017 (April 2018), para. 268 (note multilateral environmental agreements not assessed).

[34] Ibid., para. 267.

Africa. UNEP evaluations reveal consistently strong delivery of outputs and achievement of direct outcomes during the 2014–2017 period (see table 8 below).

Table 8
**Satisfactory or better ratings of evaluated UNEP projects: 2014–2017**

Year	Delivery of outputs (Percentage)	Achievement of direct outcomes (Percentage)
2017	79 (n = 38)	94 (n = 38)
2016	80 (n = 39)	98 (n = 40)
2015	77 (n = 30)	86 (n = 30)
2014	83 (n = 18)	90 (n = 20)

Source: UNEP Evaluation Office, evaluation synthesis report (April 2018) (figures 17 and 20).
Abbreviation: n, number of respondents.

63.   As shown in figure XVIII below, most UNEP staff had a positive assessment of the organization's delivery on its mandate through the provision of support, although success in working with Governments (81.4 per cent) was assessed more highly than working with the private sector (52.1 per cent).

Figure XVIII
UNEP: staff assessment of results achieved with partners and stakeholders
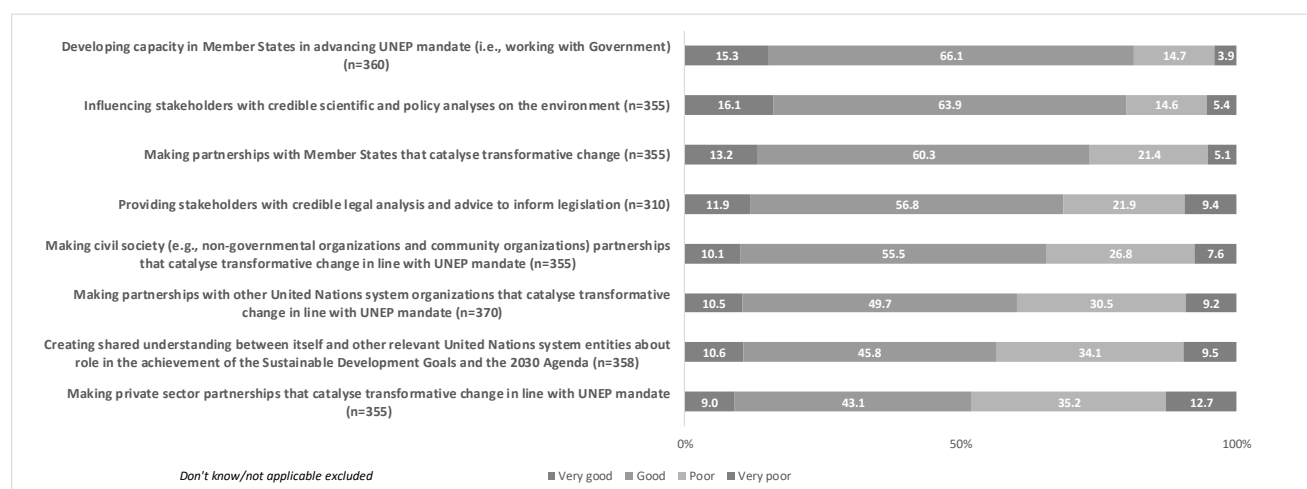
Abbreviation: n, number of respondents.

64.   Most external stakeholders and staff saw opportunities to expand UNEP influence, through partnerships and its convening role, and requested that more be done to leverage UNEP policy expertise to scale up solutions developed with other Governments and organizations. They requested more support from UNEP to monitor the Sustainable Development Goals, develop policy best practices and facilitate South-South cooperation. There were however challenges resourcing this work in the highly earmarked project-funding model, as it required significant flexibility, negotiation and presence in countries.

65.   There was no apparent mechanism to consolidate the results of projects for easy reference and knowledge transfer. The UNEP Programme Manual did not refer to the knowledge management strategy, or another suitable mechanism to share information across the organization. A 2017 review of the function of the subprogramme coordinators showed that this role was not systematized and would benefit from more

strategic guidance.[35] Stakeholders and staff confirmed that, despite the volume of projects implemented, there were untapped opportunities for leveraging learning (positive and negative) from these projects (see paras. 30 (a) and (b) above), a finding reflected in the 2016 report of the Multilateral Organization Performance Assessment Network.[36]

Significant improvements were achieved in results-based management prior to 2016; however, enhancements were needed to further facilitate the use of data, monitoring and evaluation in decision-making

66.   UNEP results-based management practices have been on a positive trajectory since 2010. Lessons learned from its medium-term strategy for 2010–2013 were included in subsequent medium-term strategy processes. Through stakeholder and staff consultations for the 2018–2021 medium-term strategy planning process, subprogrammes developed and improved use of "theory of change" methods, with indicator-based reporting. In 2016, the Multilateral Organization Performance Assessment Network gave an overall positive assessment of UNEP results-based management, although it noted deficiencies in the application of results-based budgeting (linking expenditures to outcomes) and monitoring and reporting on project outcomes. Interviews with staff and observations from the 2018 meetings of the Committee of Permanent Representatives confirmed that progress reports on UNEP work did not strongly link activities, results and funding spent. This was in part a function of weak links between strategy and funding, and the separation of corporate finance (result-based budgeting) from strategic planning, monitoring and reporting in the organization (see results A and B).

67.   The following challenges to improving results-based management were frequently mentioned by staff: (a) cumbersome project reporting requirements to multiple donors/funding sources; (b) underinvestment in assessing completed project outcomes; and (c) inadequacy of the Programme Information Management System to monitor projects and incorporate outcomes because of poor indicator alignment between strategic goals and projects.
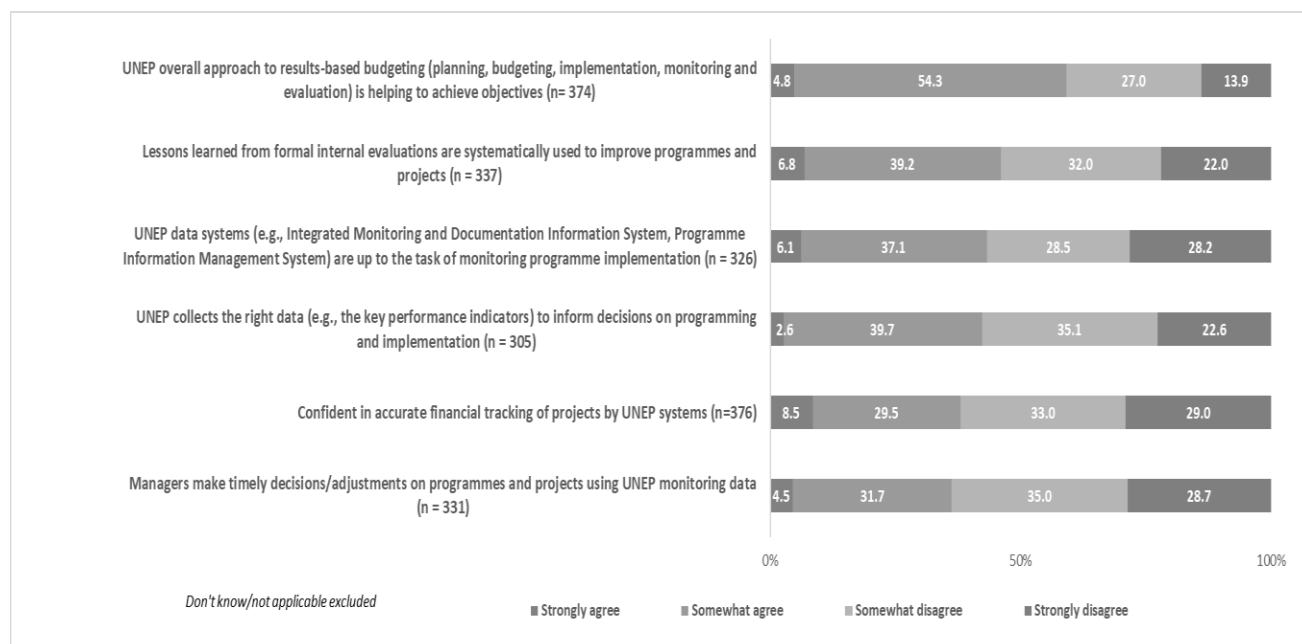
68.   Staff surveyed rated the UNEP overall approach to results-based management (59.1 per cent) higher than the use of evaluations (46 per cent), data systems (43.2 per cent), accurate financial tracking (38 per cent) and evidence used in decision-making (36.2 per cent) (see figure XIX below).

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[35] See UNEP Evaluation Office, review of the subprogramme coordination function, January 2017.
[36] 2016 report of the Multilateral Organizations Performance Assessment Network, p. 88.

Figure XIX
Staff assessments of results-based management at UNEP

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
UNEP overall approach to results-based budgeting (planning, budgeting, implementation, monitoring and evaluation) is helping to achieve objectives (n= 374)	4.8	54.3	27.0	13.9
Lessons learned from formal internal evaluations are systematically used to improve programmes and projects (n = 337)	6.8	39.2	32.0	22.0
UNEP data systems (e.g., Integrated Monitoring and Documentation Information System, Programme Information Management System) are up to the task of monitoring programme implementation (n = 326)	6.1	37.1	28.5	28.2
UNEP collects the right data (e.g., the key performance indicators) to inform decisions on programming and implementation (n = 305)	2.6	39.7	35.1	22.6
Confident in accurate financial tracking of projects by UNEP systems (n=376)	8.5	29.5	33.0	29.0
Managers make timely decisions/adjustments on programmes and projects using UNEP monitoring data (n = 331)	4.5	31.7	35.0	28.7

Don't know/not applicable excluded

Abbreviation: n, number of respondents.

69.   UNEP Evaluation Office conducted project evaluations, including some system-wide or corporate level evaluations (see table 9 below), consistent with the 2016 UNEP evaluation policy. Staff considered evaluations as valuable but underused tools for decision-making and reported that they used programme evaluations more than project evaluations. The reasons given for this practice included their timing (late in the process) and the small scale of projects evaluated (a requirement of donor funding). UNEP evaluators noted that project evaluations were time consuming and of limited value to UNEP learning. The effectiveness of evaluation support to results-based management was weak because of the absence of follow-up mechanisms on the impact of evaluation recommendations or the efficacy of management action plans. In fact, many issues identified in the present OIOS evaluation have also been identified in UNEP evaluations.

Table 9
OIOS analysis of UNEP evaluations: 2014–2017

Level of analysis	Number of evaluations	Percentage
Project	95	85
Umbrella project or portfolio	10	9
Subprogramme	3	3
Other (for example, specific strategy, trust fund, cooperation agreement and medium-term strategy)	4	4
Total	**112**	**100**

E. Despite institutional and management challenges, UNEP staff remain proud of their work and feel valued by the organization

70. Despite challenges with institutional arrangements and management approaches, surveyed staff (see figure XX below) were proud of their work (92.6 per cent), assessed their work environment mostly positively and were able to deliver results (see result D). This positive work culture was observed in meetings and interviews as well as by external stakeholders through their interaction with staff. All interviewed staff were clearly committed to the organization. However, staff and some external stakeholders interviewed observed: low morale in recent years, owing to internal politics, particularly at UNEP headquarters; a view that priority setting by leadership was disconnected from the rest of the organization; an absence of a common vision; and insufficient information-sharing (see results C and D). While the impacts of UNEP internal politics were not so evident in the secretariats of the multilateral environmental agreements, regional offices/subregional offices and offices away from headquarters, many staff perceived a disconnect from UNEP headquarters.

Figure XX
UNEP staff survey results on workplace culture
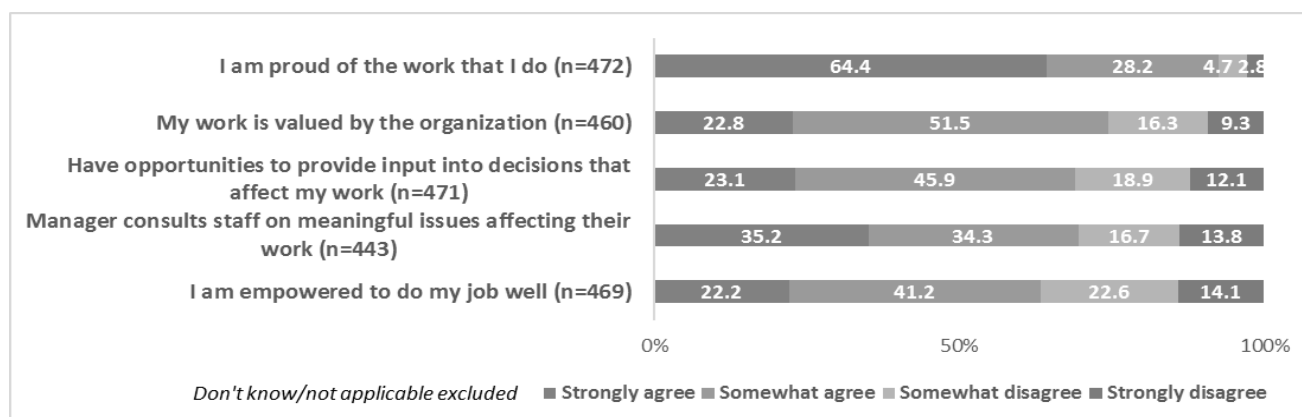
Abbreviation: n, number of respondents.

V. Conclusion

71. With the recognized prominence of the environment as an issue integral to sustainable development, UNEP has remained relevant as it incorporates a variety of new mandates and approaches into its work, its strategic plans, its institutional arrangements and its management approaches. However, gaps remain, and various reform efforts have suffered from ineffective change management approaches, lack of support for policy implementation and unclear roles and responsibilities, which have hindered the efficiency of UNEP operations. While UNEP demonstrated many successes, the effectiveness of its work has been hampered by: uncoordinated strategy across organizational units; a funding model that has increasingly limited the flexibility of its operations; and uneven knowledge management and results-based management practices which need to be improved to enhance accountability and learning within UNEP.

VI. Recommendations

72. The Internal Investigation Division of OIOS made two critical and three important recommendations to UNEP, all of which have been accepted by UNEP.

Recommendation 1: Critical: (results A and C)

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: Strengthened implementation of the strategic planning process, including all elements noted above, and operationalized medium-term strategy and programme of work.

Recommendation 2: Critical (result C)

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: Revised organizational design aligned to strategic priorities, a revised organization chart, revised terms of references for key roles and revised standard operating procedures communicated to relevant staff.

Recommendation 3: Important (results A and B)

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: 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.

Recommendation 4: Important (results C and E)

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: Staff/unit assigned to oversee the change management process established, changes supported with communication, guidelines and timetable for implementation.

Recommendation 5: Important (results C and D)

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: 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.

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(*Signed*) Heidi **Mendoza**
Under-Secretary-General for Internal Oversight Services
March 2019

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Annex

Response of the management of the United Nations Environment Programme

The Inspection and Evaluation Division of the Office of Internal Oversight Services (OIOS) presents the full text of comments received from the management of the United Nations Environment Programme (UNEP) on the report of OIOS on its evaluation of UNEP. This practice has been instituted in line with General Assembly resolution 64/263, following the recommendation of the Independent Audit Advisory Committee.

Comments of the Executive Director of the United Nations Environment Programme on the evaluation of UNEP

The United Nations Environment Programme (UN Environment) thanks the Office of Internal Oversight Services (OIOS) for the opportunity to provide comments on the report of the above-referenced evaluation. UN Environment recognizes the importance of this evaluation and extends its appreciation to OIOS for its detailed findings and recommendations.

UN Environment has reviewed the report carefully and welcomes its findings and recommendations, which encourage strengthening of its strategic planning process, enhanced accountability and transparency, change management to adapt to reforms and a focus on results. To this end, UNEP is preparing a detailed action plan, both building on work already under way, as well as forming task teams reporting to Senior Management to draft additional actions plans in response to these recommendations.

UN Environment is in agreement with the recommendations in the report, and would like to add the following observations:

Recommendation 1

Strengthened operationalization of its strategic plans are critical as UN Environment embarks on implementing the Programme of Work for 2020–2021 and developing its next Medium-Term Strategy. UN Environment agrees with this recommendation and is committed to facilitating ongoing dialogue and consultations on these with all its member States, through regional forums and with major stakeholders.

Recommendation 2

Accountability is critical to efficient and transparent operations, including clear roles, relationships and accountabilities between subprogramme coordinators, divisions and regional offices, as well cooperation and coordination with the multilateral environmental agreements. UN Environment agrees with this recommendation and has already begun embarking upon the development of an accountability framework.

Recommendation 3

As an organization where over 90 per cent of our funding comes from voluntary sources, having a clear and strategic approach to how we deal with this is critical. UN Environment agrees with the recommendation and in this regard is already in the process of revising its Resource Mobilization and Partnerships Strategy.

Recommendation 4

With an increased focus on the Secretary-General's reforms, UN Environment is in agreement with this recommendation and will embark on a change management process in line with the organizational culture through an inclusive, consultative and participatory process, including transparency in reporting on progress to Member States and senior management.

Recommendation 5

UN Environment is in agreement with this recommendation and is currently in the process of enhancing its focus on data and results. This includes a review of its results-based management approach, processes, training and systems, including preparation for the roll-out of the next phase of the Umoja enterprise resource planning system.

In conclusion, UNEP would like to thank OIOS for this comprehensive evaluation report. As it reflects on strategies and modalities to further sharpen its outputs and services, UNEP will benefit from the findings and recommendations presented in the report.

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