



OIOS

Office of Internal Oversight Services

Inspection and Evaluation Division (IED)

Inspection on Results-based management (RBM) practices at the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

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**Inspection on Results-based management (RBM) practices at the United Nations
Economic and Social Commission for Asia and the Pacific (ESCAP)**

EXECUTIVE SUMMARY

During the March-June 2007 period, the Office of Internal Oversight Services (OIOS) conducted a review of Results-based management (RBM) practices at the Economic and Social Commission for Asia and the Pacific (ESCAP).

OIOS found that ESCAP has made a commendable effort to strengthen RBM. Building on the commitment of the Executive Secretary and further to coordination efforts by the Programme Management Division, a number of supporting measures have been introduced in the areas of programme planning, management, monitoring and evaluation. These efforts have led to a high level of staff awareness of RBM concepts, opportunities and challenges. The timeliness and quantity of ESCAP's programmatic performance reporting in response to organization-wide requirements compares favourably with that of the Secretariat at large. Likewise, ESCAP output implementation rates are well above the Secretariat averages. Moreover, ESCAP has undertaken a fairly comprehensive range of (internal and external) evaluation activities.

However, OIOS cannot conclude that ESCAP's RBM practices have led to the systematic availability of evidence to demonstrate its overall relevance, effectiveness or contribution to regional development outcomes. While programmatic performance-related reporting to regional stakeholders and to United Nations Headquarters has been disciplined, the credibility of reporting on overall effectiveness and comparative advantage of ESCAP is still elusive as it mainly consists of anecdotal narratives. This is partly a consequence of ambiguities in ESCAP's strategic results framework, as its 'expected accomplishments' are centered upon national capacity development, which, in OIOS's view, leaves an unclear picture of ESCAP's unique contribution to regional development. Also, the associated 'indicators of achievement' and 'performance measures' have generally been framed in a manner that depends upon subjective interpretation. With regard to internal organization, OIOS observes that the 'thematic clustering' introduced since 2000 has not yielded sufficient clarity to managerial direction and internal knowledge sharing. OIOS also notes that extra-budgetary funding is fragmented and that there is a need for a renewed strategy for resource mobilization and donor liaison.

OIOS acknowledges that the shortcomings of RBM at ESCAP may be largely systemic in nature, i.e. emanating from the constraints posed by the UN-wide framework of planning and budgeting rather than the particular practices applied by ESCAP itself. OIOS notes that there are separate and distinct

planning, reporting and review systems and processes respectively for financial management, substantive programme management and for personnel management. In practice, this means there is no mechanism of accountability attached to the existing RBM construct. The present report begins an accumulation of notes on a number of issues warranting further review – including the ‘Rules and Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods for Evaluation’, the PPBME (ST/SGB/2000/8) – which, in OIOS’ view, mitigates against a coherent and comprehensive approach to RBM within the organization.

ESCAP staff are keenly aware of the challenges posed by the corporate RBM framework and have been constructive contributors to debate about improvements that can be made. ESCAP has, in particular, strongly made the case that the standard ‘output’ categories which are used in the planning and budgeting exercise, mainly reflect bureaucratic activity and do not meaningfully capture progress towards substantive goals. More broadly, it was recognized that the established organization-wide planning and budgeting system involves minimal consideration of results actually achieved. Rather, perceptions are that what is subjected to detailed scrutiny is mechanical observance of expenditure targets, activities and bureaucratic outputs.

OIOS makes a total of ten recommendations for actions to be taken by ESCAP, including further review of its results framework and roles and responsibilities associated with the thematic clustering approach; improvements to the internal process of project and programme appraisal and performance review; more openness to information sharing, and strengthening of the evaluation function.

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LIST OF ABBREVIATIONS AND ACRONYMS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACPR	Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission
ADB	Asian Development Bank
APCICT	Asian and Pacific Training Centre for Information and Communication Technology
CCA/UNDAF	Common Country Assessment/United Nations Development Assistance Framework
CPC	Committee for Programme and Coordination
DM	Department of Management
EA	Expected Accomplishments
ECOSOC	Economic and Social Council
ECLAC	Economic commission for Latin America and the Caribbean
EDM	Executive Direction and Management
e-PAS	electronic Performance Appraisal System
EPOC	ESCAP Pacific Operations Centre
ES	Executive Secretary
ESCAP	Economic and Social Commission for Asia and the Pacific
ESDD	Environment and Sustainable Development Division
ESID	Emerging Social Issues Division
e-TC	electronic Technical Cooperation system
GA	General Assembly
ICT	Information and communication technologies
IGO	Intergovernmental organization
IMDIS	Integrated monitoring and documentation information system
IMIS	Integrated management information system
IOA	Indicators of Achievement
JIU	Joint Inspections Unit
KM	Knowledge Management

LDCs	Least developed countries
LLDCs	Least developed and landlocked countries
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
MGM	Management Group Meeting
MOU	Memorandum of Understanding
NGO	Non-governmental organizations
ODA	Official Development Assistance
OIOS	Office of Internal Oversight Services
PAC	Project Approval Committee
PDD	Poverty and Development Division
PM	Performance Measures
PMD	Programme Management Division
PPBME	Rules and Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods for Evaluation
PPR	Programme Performance Report
QAT	Quality Assurance Team
RB	Regular budget
RBB	Results based Budgeting
RBM	Results-based Management
RC	Resident Coordinator
READ	Regional Advisors Database
SD	Statistics Division
TC	Technical Cooperation
TID	Trade and Investment Division
TTD	Transport and Tourism Division
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UN HQ	United Nations Headquarters
XB	Extra budgetary

I. BACKGROUND

A. Introduction

1. During the March-June 2007 period, the Office of Internal Oversight Services (OIOS) conducted a review of results-based management (RBM) practices at the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).¹ The previous OIOS Inspectoral visit to ESCAP, which did not have a particular thematic focus, was undertaken in 1999.² This is the first OIOS inspection to comprehensively address RBM at the level of an individual Secretariat entity, undertaken as part of a series that aims to inform a wider-scale assessment of results-based management in the United Nations Secretariat.

2. OIOS bases its annual work plan on a systematic assessment of risks pertaining to the UN Secretariat. For 2007, RBM was identified as a priority concern for inspection.³ The emphasis on RBM is also commensurate with the recent review of governance and oversight at the UN⁴, the first recommendation of which was that the organization should comprehensively implement RBM.

3. This final report reflects adjustments undertaken in response to comments received by ESCAP in reference to draft inspection report of 28 June 2007. ESCAP has subsequently submitted 'final comments on the revised final draft', which have been attached as annex 7. OIOS greatly appreciates the courtesies and cooperation extended to the Inspection team.⁵

B. Results-based management at the UN Secretariat

4. From the outset, it needs to be recognized that results-based management is a concept that has frequently been referred to within the United Nations⁶, but that there is no single authoritative or commonly-understood definition of the term. As noted by the JIU⁷, the term results-based management (RBM) is sometimes used interchangeably with results-based budgeting (RBB) which has been more explicitly defined.⁸ OIOS' analysis is guided by the understanding that RBB has been introduced to the organization as a first step towards RBM.⁹ RBB involves initial application of certain 'RBM principles', as outlined below, more narrowly to the budget process. Cutting across individual articulations, the RBM term can most broadly be

¹ Bangkok onsite visit was undertaken during the 19-30 March period.

² As reported by K. Paschke to S-G 20 July 1999, OIOS document reference 15003/99.

³ Further to OIOS workplan submitted to all Department Heads under cover of memorandum from USG OIOS dated 5 February 2007.

⁴ A/60/883 Comprehensive Review of Governance and Oversight.

⁵ OIOS would, in particular, like to acknowledge the full support and cooperation of the designated Inspection focal point, Mr. Richard Kalina, Chief, Programme Planning, Budgeting and Evaluation; and of Ms. Nanda Krairiksh, Director, Programme Management Division.

⁶ E.g. JIU/REP/2006/6, JIU/REP/2004/5, GA/RES/61/245; para 57, A/60/346.

⁷ See e.g. paras 6-12 of JIU/REP/2006/6.

⁸ Building on GA/RES/55/231, the parameters of RBB, e.g. in A/RES/53/205, A/53/500 and Add.1, A/53/655, A/54/456, A/55/543, A/57/478.

⁹ E.g. in line with OIOS' recommendations on 'taking RBB to the next level'; as per para 46 of A/57/474, 'Implementation of all provisions of General Assembly resolution 55/231 on results-based budgeting'.

described as a paradigm of organizational governance that brings centrality to the *effects* of public service delivery, i.e. the changes that occur beyond the bureaucratic processes. Through enabling planning and decision-making to be driven by future effects rather than mere historical efforts, the ultimate rationale for RBM is to strengthen the relevance, efficiency and effectiveness of organizational performance. As such, the notion of RBM has been embedded in the series of United Nations reforms undertaken during the last decade – starting with the aim expressed by the Secretary-General in his 1997 reform programme¹⁰ of “*shifting the focus of planning, budgeting, reporting and oversight from how things are done to what is accomplished*”¹¹ - and which are reflected in the current priority attached to “*improving governance, strengthening management effectiveness and accountability*”.¹²

5. OIOS views RBM as the vision that gave rise to the RBB planning, budgeting and reporting systems that have been implemented at the UN Secretariat since 2001.¹³ The operative elements of the UN Secretariat RBM or RBB “system” are reflected in the “Rules and Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods for Evaluation” (PPBME)¹⁴ and the instructions that are periodically issued by the Department of Management in support of planning, budgeting¹⁵ and by OIOS in support of performance reporting.¹⁶ The concepts and requirements projected by these guidelines and instructions guide the practices adhered to by individual Secretariat entities.

6. The planning process starts from the articulation of results frameworks (frequently referred to as ‘logframes’), built on assumed cause-and-effect relationships or hierarchies of objectives. For all departmental sub-programmes, they comprise a set of objectives, expected accomplishments (EA), indicators of achievement (IOA) and performance measures (PM) pertaining to the two-year planning and budgeting periods. Whilst objectives represent the basic longer-term rationale for a subprogramme - usually derived from the formal mandates given to a UN programme – expected accomplishments (EA) reflect the outcomes to which a subprogramme will contribute within a given biennium. Indicators of achievement (IOA) are the means of verification for those EAs, and performance measures (PM) are intended to capture the anticipated degree of change (from baseline to target) within a given biennium.

7. The results frameworks that are developed as part of strategic planning also serve as reference points to resource allocation – and are intrinsic to the budget fascicles that are presented to, eventually amended and finally approved by the General Assembly. The ‘programme of work’ approved with the budget also comprises a planned schedule of outputs¹⁷,

¹⁰ A/51/950, “Renewing the UN: A programme for reform”.

¹¹ Ibid, para 240.

¹² E.g. para 6 (a) of A/60/883, Report of the Secretary-General on “Implementation of decisions contained in the 2005 World Summit Outcome for action by the Secretary-General: Comprehensive review of governance and oversight within the United Nations and its funds, programmes and specialized agencies”.

¹³ Further to GA Resolution 55/231.

¹⁴ ST/SGB/2000/8, Rule 105.4 (a) (iii).

¹⁵ See <http://ppbd.un.org/rbb/>.

¹⁶ See <http://iseek.un.org/m210.asp?dept=649>.

¹⁷ Based on the PPBME, ST/SGB/2000/8, Rule 105.4, but following more detailed instructions provided by Budget Instructions, the standard output categories currently monitored are: substantive servicing of meetings;

corresponding to the concrete deliverables for which managers are held directly accountable. Lastly, the results frameworks provide the logical structure for reporting requirements through the integrated monitoring and documentation information system (IMDIS), which is ultimately utilized for preparation of the Secretary-General's biennial Programme Performance Report ('PPR').¹⁸ All the plans, budgets and performance reports are subjected to screening by central technical support entities at UN HQ¹⁹ prior to ultimate endorsement by the intergovernmental organs in New York – i.e. the CPC, the ACABQ and the Fifth Committee of the GA.

C. Inspection Objectives

8. The current inspection exercise was conceived as one in a series of RBM inspections, undertaken to extract findings and recommendations emanating from the entity-level - that may help inform the future development of the organization-wide RBM framework. As such, the series of RBM inspections, as a whole, represents OIOS' independent contribution to the reviews requested by Member States, not just of RBM²⁰, but of experiences gained with the changes made in the planning and budget process²¹, together with responses of the Secretariat to recommendations made by the Joint Inspection Unit (JIU) in its series of reports on RBM²² and the ensuing GA endorsement of the JIU benchmarking framework.²³ A further objective of the series of inspections as a whole is to extract an eventual set of oversight criteria that are commensurate with OIOS no longer being responsible for the programme performance report of the Secretary-General.²⁴ Whilst individual inspection reports in this series emphasize actions taken at the entity level and issues which are within the realm of local decision making, we also seek findings which have potentially broader applicability. With respect to the extraction of issues relevant to the systemic properties of RBM at the Secretariat as a whole, OIOS is accumulating 'memorandum items', throughout the RBM series of inspections, that warrant further consideration.

9. The overall objective of this particular inspection was to determine whether ESCAP's current managerial strategy, systems and practices were conducive to the assumptions and objectives of RBM as a strategy for organizational governance and management. Areas subjected to review included²⁵:

- a) Translation of mandates into operational objectives
- b) Measurability of performance indicators
- c) Practice of continuous results monitoring and evaluation

parliamentary documentation; expert groups, rapporteurs, depository services; recurrent publications; non-recurrent publications; other substantive activities; advisory services; training courses, seminars and workshops; fellowships and grants; field projects; conference services, administration, oversight.

¹⁸ For latest PPR, covering the 2004-2005 biennium, see A/61/64.

¹⁹ The Department of Management in the case of Strategic Frameworks and Budgets, and OIOS in the case of PPR.

²⁰ As per GA/RES/61/245.

²¹ As per GA/RES/58/269.

²² Most recently as per JIU/REP/2006/6.

²³ A/RES/60/257.

²⁴ With particular reference to the recommendation, following the 'Comprehensive Review of Governance and Oversight' (A/60/883/Add.2), and further to GA/RES/61/245, that PPR function be transferred from OIOS to the Department of Management.

²⁵ A more detailed set of questions that have been used to inform the review is attached as Annex 1.

- d) Use of results information to guide decision-making
- e) Partnerships and capacity development for RBM

10. On the basis of this analysis, this report, and the OIOS' reports on RBM at individual Secretariat entities to come, concentrate on those issues for which significant findings were made.

D. Methodology

11. In conducting the current inspection, OIOS used a combination of qualitative and quantitative methods. In particular, the analysis is based on the following data sources:

- a) Review of programme planning and performance data reported through the integrated monitoring and documentation information system (IMDIS) and other sources;
- b) Review of official documents, programme budgets, reports, websites and publications dealing with ESCAP's areas of work including information on the implementation of recommendations of previous OIOS reports and relevant resolutions and decisions of the relevant intergovernmental bodies;
- c) A survey administered to all ESCAP staff²⁶;
- d) Review of E-PAS workplans and performance assessments of all ESCAP managers;
- e) Individual interviews and focus group discussions with ESCAP management and staff²⁷;
- f) Interviews with ESCAP stakeholders and beneficiaries, including ACPR members.²⁸

The methodology applied has some limitations concerning feedback from the regional institutions and the Pacific Operations Centre, who did provide responses to the questionnaire survey, but with whom OIOS were unable to meet in-person. Likewise, a limitation is posed by the fact that a questionnaire administered to a non-random sample of presumed country-level stakeholders yielded a negligible response.²⁹

E. ESCAP's Governance Arrangements, Functions and Organization

12. The Secretariat of ESCAP is responsible for the implementation of the programme of work under section 18 of the United Nations Secretariat programme budget.³⁰ The legislative organ of ESCAP is the Commission, which reports to the UN's Economic and Social Council (ECOSOC). The organs of the Commission are: a) the *Annual meeting*³¹, b) the three *Thematic Committees*³² and c) two *Special Bodies*.³³ In addition, the *Advisory Committee of Permanent*

²⁶ The survey was conducted from 10 to 20 March 2007. Of a total of 600 ESCAP staff members, 148 responded, for a 25% response rate. This source will be referred to in the report as "staff survey".

²⁷ A total of 40 separate interviews and 6 focus group discussions were held with ESCAP staff and management.

²⁸ In addition to six individual non-staff stakeholder meetings and interviews, OIOS were non-participant observers at ACPR's 26 March 2007 meeting.

²⁹ Only 15, mainly partial, responses were received from a total of 300 questionnaires sent to e-mail addresses selected among: editorial board members of regional economic and social policy journals; participants at recent major economic and social conferences in the region; regional members of the 'managing for development results' regional 'community of practice' and all regional UN Resident Coordinators.

³⁰ A/60/6-Sect.18 for 2006-2007 and A/58/6-Sect.19 for 2004-2005.

³¹ The annual meeting is at ministerial level, alternately held in Bangkok and Commission member states.

³² On i) Poverty Reduction, ii) Managing Globalization, and iii) Emerging Social Issues.

Representatives and other Representatives Designated by Members of the Commission (ACPR³⁴), comprising ESCAP members and associate members, meets almost every month to advise and exchange views with the *Executive Secretary* of ESCAP. The mandated functions³⁵ of ESCAP include the intergovernmental convening and secretariat function; regional coordination; together with advocacy, analytical and advisory services in support of regional economic and social development. The Secretariat is organized through eight subprogrammes.³⁶ With the exception of Subprogramme 3, which is managed by the ESCAP Pacific Operations Centre located in Suva, Fiji, all subprogrammes are managed from ESCAP Headquarters in Bangkok. In addition to the subprogrammes, ESCAP's work is supported by five regional institutions with fairly specific technical functions.³⁷

13. OIOS notes two distinct features of ESCAP's mandate; its regional convening power and its consensus-building role. These functions are complemented by its normative, analytical and research work. In addition to providing a neutral platform for dialogue among countries to discuss important issues of common concern, ESCAP provides technical assistance to develop Member States capacities in the different sectoral areas under its mandate.

II. FINDINGS

14. ESCAP's overall objective³⁸ is to promote economic and social development in the Asia and Pacific region, with special emphasis on increasing access to opportunities for individuals, communities and economies. The results framework that has been applied to justify ESCAP's budget involves separate objectives for its eight different subprogrammes³⁹, clustered under the three thematic areas that correspond to the Commission Committees⁴⁰; a total of 22 separate

³³ On a) Pacific Island Developing Countries, and b) Least Developed and Landlocked Developing countries.

³⁴ T.O.R.: <http://www.unescap.org/about/advisory.asp>.

³⁵ As per ST/SGB/2005/11: mandated functions comprise: a. Promoting economic and social development through regional and subregional cooperation and integration; b. Serving as the main general economic and social development forum within the UN system for the ESCAP region; c. Formulating and promoting development assistance activities and projects commensurate with the needs and priorities of the region and acts as an executing agency for relevant operational projects; d. Providing substantive and secretariat services and documentation for the Commission and its subsidiary bodies; e. Carrying out studies, research and other activities within the terms of reference of the Commission; f. Providing advisory services to Governments at their request; g. Develops and executes programmes of technical cooperation; h. Coordinating ESCAP activities with those of the major departments and offices of the UN HQ and specialized agencies and intergovernmental organizations.

³⁶ Comprising: 1. Poverty and development; 2. Statistics; 3. Development of Pacific island countries and territories; 4. Trade and investment; 5. Transport and tourism; 6. Environment and sustainable development; 7. Information, communication and space technology; and 8. Emerging social issues.

³⁷ These are (Asia and Pacific): (i) Centre for Agricultural Engineering and Machinery, based in Beijing; (ii) Centre for Transfer of Technology, based in New Delhi; (iii) Centre for Alleviation of Poverty through Secondary Crops Development, based in Bogor, Indonesia; (iv) Statistical Institute for Asia and the Pacific, based in Chiba, Japan and (v) Training Centre for Information and Communication Technology for Development based in Incheon, South Korea.

³⁸ As described in GA-approved budget for 2006-2007, A/60/6(Sect. 18), para 18.3.

³⁹ In addition to the 8 Subprogrammes, there is also the 'Executive Direction and Management', as described in Annex 6.

⁴⁰ I.e. a) poverty reduction, b) managing globalization and c) addressing persistent and emerging social issues.

'expected accomplishments' and a total of 29 'indicators of achievement'.⁴¹ For 2006-2007 ESCAP prepared a compendium of all the information necessary for the submission of the budget, as the "proposed programme budget for 2006-2007"⁴² and which is still widely referred to within ESCAP.

1. ESCAP has made a commendable effort to introduce RBM as prescribed

15. ESCAP has undertaken a broad range of measures in support of RBM. Perhaps most crucially, the Executive Secretary has embraced RBM as a central tenet of strategy, as demonstrated by a number of internal and external pronouncements to that effect, such as:

"...instill a culture of results-based programme and project planning, budgeting, management, monitoring and evaluation to ensure that everything ESCAP does is impact-oriented rather than activity-driven".⁴³

Beyond the general commitment to RBM from senior management, the Programme Management Division (PMD)⁴⁴ has taken the operational lead in introducing and implementing ESCAP's RBM efforts. PMD is vested with budget process and expenditure authorization responsibility and is perceived by ESCAP staff to be close to the Office of the Executive Secretary, thus having considerable influence in overall entity management.

16. OIOS notes specific actions positively associated with RBM undertaken at ESCAP:

- Establishment of a network of divisional (subprogramme) RBM focal points;
- A significant volume of RBM-related training has been conducted.⁴⁵ During inspection onsite mission, a training programme on evaluation management was conducted for key RBM focal points;
- Establishment of Quality Assurance Team (QAT) and Project Approval Committee (PAC) as peer review mechanisms to strengthen the quality of project planning and formulation;
- Formulation and dissemination of internal guidelines on monitoring and evaluation⁴⁶;
- Introduction, as part of 2006-2007 planning and budget preparation, of the notion of 'intermediate results' as an attempt to bridge perceived results framework 'attribution gaps';
- Establishment of a dedicated evaluation unit⁴⁷ and a considerable volume of internally-driven evaluation activity⁴⁸;

⁴¹ For ease of reference, an edited version of ESCAP's 2006-2007 results framework is attached as Annex 6.

⁴² Internally referred to as "The Red Book".

⁴³ "ESCAP Towards 2020", 2004, Page 3, para (d).

⁴⁴ The PMD has two sections: a) Programme Planning, Budget and Evaluation, b) Technical Cooperation.

⁴⁵ Involving 117 staff trained through 5 different workshops/seminars in 2005 and 56 trainees in 2006, respectively.

⁴⁶ Guidelines for Programme Monitoring, Review and Evaluation, E/ESCAP/1377 of 2.2.06.

⁴⁷ The unit is composed of two staff members, respectively at P4 and P3 level.

⁴⁸ Nineteen evaluations were undertaken in 2006 and 10 in 2005. Eight of the 2006 evaluations were managed by the substantive Divisions and 11 were managed by the Programme Management Division.

- Inclusion of programme performance monitoring and evaluation responsibilities as standard item in managers' e-PAS workplans;
- Timely and comprehensive submission of materials for the Secretariat-wide programme performance report (PPR);
- High rate of output implementation.⁴⁹

17. These activities, which are described in more detail in the following sections, have translated into a fairly high level of staff awareness of RBM concepts, opportunities and challenges. This was evident from the discussions held during the inspection mission to Bangkok, but also the responses given to the OIOS survey conducted for the purpose of the exercise. OIOS observed that staff generally display a good understanding of the rationale and purpose of RBM and are well versed in the terminology of 'logframe' analysis; it is evident that RBM has been the subject of internal reflection and debate. ESCAP staff have also been active and constructive participants in Secretariat-wide informal networks for discussion and further development of the United Nations RBM system.

18. At the same time, staff were candid and articulate in citing limitations of RBM's applicability. Staff survey analysis showed that 50.4% of staff respondents rated the relevance of the RBM approach as an entry point to operational decision-making as 'good' or 'excellent', whilst 20.2% gave a 'poor' or 'very poor' rating. Many interlocutors emphasized that the results framework approach had, in particular, been helpful to staff 'thinking through' their activities at the planning or project formulation stage. OIOS also observes that, when it comes to compliance with Secretariat programme performance reporting requirements, in terms of IMDIS data entry, both the quantitative and qualitative aspects of ESCAP submissions compare favorably to the average for the Secretariat as a whole.⁵⁰ ESCAP has a long-established programme monitoring system which, in many respects, represents a good practice within the organization.⁵¹ The Programme Management Division is a highly professional unit, has taken a number of initiatives in support of RBM and has comprehensively documented its different efforts.

2. Results framework has been articulated without reference to a UN-wide strategy/Plan Outline

19. Interview and survey data indicates that, with regard to strategic orientation, a concern among several ESCAP staff and management representatives is the absence of an organization-wide strategic plan addressing UN objectives for global and regional development and for coordination among the various UN bodies involved.⁵² Therefore, ESCAP's recent elaboration of the biennial strategic frameworks and budgets was therefore undertaken without any single UN system-wide framework of long-term goals and allocation of responsibilities. OIOS noted that the UN Secretariat "plan outline" was not available to programmes for the preparation of

⁴⁹ For details see Annex 4.

⁵⁰ As discussed in further detail under finding no. 6 below.

⁵¹ This was already noted in previous OIOS Inspectoral visit report on ESCAP, 1999, OIOS document reference 15003/99: "takes note of ESCAP's Programme Monitoring System which...is a step in right direction".

⁵² OIOS notes the observation of the UN Regional Coordination Meeting 6 December 2006 that the report of the 'High-level Panel on System-wide Coherence' was 'weak on analysis and recommendations' pertaining to the regional level.

their strategic frameworks for the 2006-2007 and 2008-2009 biennia. The 2008-2009 plan outline was issued and considered by the General Assembly early 2007, i.e. *after* the programmes had finalized their strategic framework submission and were already submitted for approval.⁵³ Moreover, with the retrofitted plan outline only referring to the priorities of the Medium-term Plan for 2002-2005⁵⁴, it did not involve any fresh vision for the way forward.

Memorandum Item:

Although prescribed in the PPBME article IV, regulation 4.7, no organization-wide four-year strategic plan has been articulated since the 'medium-term plan' for the 2002-2005 period (A/55/6/Rev.1).

3. Thematic areas lack focus

20. A key entry point to ESCAP's strategic orientation is represented by the clustering of activity into the three 'thematic areas', introduced as centerpiece of reforms undertaken in the wake of last Executive Secretary's appointment in the year 2000, and which are reflected in the thematic committee structure of the Commission, namely: a) poverty reduction, b) managing globalization and c) emerging social issues. The thematic approach was designed to help focus ESCAP's work to enable it to effectively respond to emerging demands from its membership and to strengthen the delivery and impact of results. However, whilst presented as being tantamount to a 'tight focus'⁵⁵, the thematic approach has not, in OIOS' view, led to any easily observable change in strategy. As noted by the ESCAP External Evaluation: "...there is a sense, on the part of Member States as well as other stakeholders, that the three themes overlap and are much too broad to provide programmatic guidance".⁵⁶ In OIOS's view, the thematic approach has not resulted in narrowing the scope of ESCAP's work. OIOS was unable to identify any major area of activity that has clearly been designated by ESCAP as being *outside* of its remit or sphere of interest. In this regard, OIOS notes that the Executive Secretary has expressed the view that narrowing down the scope of ESCAP's focus can only be answered through a "*gradual evolution of a results-based planning and management culture*".⁵⁷

21. At the same time, OIOS' view is that the thematic approach has not been effective for internal governance. The subprogrammes under the three thematic areas have continued working mostly within their own structures and with their respective long-established clientele networks. The objective of central thematic coordination has not trickled down to the working level.⁵⁸ Further, OIOS observes that the thematic approach instituted a separate level of coordination functions without the accompanying mechanisms of accountability, clarity of roles and responsibility for deliverables.

⁵³ See [A/RES/61/235](#), paras 4 and 5.

⁵⁴ See A/61/6 (Part one).

⁵⁵ E.g. in statement from ES "*UNESCAP: An In-depth Look at our Work*" <http://www.unescap.org/oes/depth.asp>.

⁵⁶ D. Djumala, R. Hirono, P. Mankad, 'ESCAP External Evaluation', June 2006, Page 17.

⁵⁷ "ESCAP Towards 2020", 2004, Page 30 para (c).

⁵⁸ While there are team coordinators for each of the thematic areas, mechanism for internal coordination such as periodic meetings or inter-divisional teams assigned to projects or outputs are still sporadic and ad hoc.

4. *Subprogramme Expected Accomplishments are not ESCAP's results*

22. Through programme data review, OIOS observes that the greatest weakness of ESCAP's results framework is the minimal reflection of its own efforts at creating and contributing to results. While OIOS accepts that objectives at this level of the results framework are necessarily shared, objectives such as *"to achieve internationally agreed goals and targets relating to poverty reduction and social and economic development"*⁵⁹ or *"to benefit more fully from the globalization process through increased global and regional trade and investment flows"*⁶⁰ are so broad as to better suit e.g. a UN-wide plan outline, rather than an individual institution with minimal resources, such as ESCAP.

23. More importantly, however, OIOS notes that the emphasis of ESCAP's respective subprogramme 'expected accomplishments' is national capacities of its regional Member States.⁶¹ Whilst OIOS understands that there is a national capacity dimension to any participation in any ESCAP activity, this formulation of expected accomplishments does not allow for a clear picture of the contribution that ESCAP brings to regional development. National capacities bring an immediate sense of potential overlap with the operational activities for development that are implemented by UN funds and programmes and by other development actors. Above all, it is national authorities (and their respective domestic partners) who are the most critical engine of capacity development at the country level. When it comes to the development of national capacities such as *'to design and implement poverty reduction policies'*, for instance, it is difficult to establish the relationship between ESCAP's actual activities and the larger national level objective. Observing that ESCAP's expected accomplishments moreover cover such national capacities for poverty, environment, trade, tourism and social development – OIOS concludes that objectives have been so widely formulated that attribution to ESCAP's efforts is very difficult, and problematic.

5. *Indicators of Achievement depend on subjective interpretation*

24. OIOS' previous finding that expected accomplishments are not directly linked to ESCAP's own work is also true in the case of indicators of achievement, as well as performance measure baselines and targets. For instance, the IOA *"number of (Member countries) making progress towards becoming members of regional and multilateral trade and investment agreements and mechanisms (Bangkok agreement and the WTO)"*⁶², reflects the efforts of other actors besides ESCAP. Likewise, the IOA *"increased number of measures taken at the national level to apply information and communication and space technology in the development of*

⁵⁹ Subprogramme 1: Poverty and development: To achieve internationally agreed goals and targets relating to poverty reduction and social and economic development.

⁶⁰ Subprogramme 4: Trade and investment: To benefit more fully from the globalization process through increased global and regional trade and investment flows.

⁶¹ National capacities, either of Member State authorities or civil society actors, represent the emphasis of 17 out of 19 Expected accomplishments (i.e. not counting EDM accomplishments).

⁶² Ibid 60.

national and socio-economic development programmes"⁶³ can be realized even without the involvement of ESCAP.

25. Although conceived with the constraints noted above regarding arguably inappropriate emphasis on national capacities, OIOS notes that most indicators of achievement otherwise bring a much more direct emphasis to ESCAP's activity. The general emphasis of indicator of achievement formulations is participation in ESCAP's own activity; with the most common generic format for indicator formulation being "*number of measures taken (in response to ESCAP initiatives)*".⁶⁴ An immediate problem with these indicators is that what to count as a "*measure taken*" has not been clearly stipulated from the outset – and that determination of success therefore involves subjective consideration. Mere participation in an ESCAP-sponsored event can itself be considered a 'measure taken'. If so, the indicator of achievement can be rather immaterial as a reflection of the underlying EA of increasing national capacities. A focus group meeting of ESCAP's divisional monitoring and evaluation focal points were unanimously in agreement with OIOS' assertions that these formulations were unsatisfactory as a basis for objective monitoring and reporting.⁶⁵

26. On the other hand, OIOS also noted a good IoA example, which underscores ESCAP's contribution to the outcomes set, such as "*Increasing number of countries and organizations using ESCAP methodology to measure reductions in the time and cost of transport....*"⁶⁶ We also take note of several ESCAP staff's observations that some of the EDM accomplishments are accompanied by indicators that do not bring a logical match, but are prescribed as standardized formulations by UN HQ. The problem of clearly identifiable results-orientation of EAs and IoAs thus needs to be addressed through clearer instructions during development of the strategic framework.

Memorandum Item:

Some EDM components that have been standardized further to DM instructions involve logical disconnect between expected accomplishment, indicators of achievement and performance measures. "Expenditures vs. funds authorized" is, for instance, a poor reflection of "effective utilization of resources" and "programme of work is effectively managed"(EDM EA (a)).

⁶³ Subprogramme 7: Information, communication and space technology: To improve access to, and the development, transfer and application of, information, communication and space technology in order to maximize the benefits of globalization.

⁶⁴ OIOS observes that National capacities, either of Member State authorities or civil society actors, represent the emphasis of 17 out of 19 Expected accomplishments (i.e. not counting EDM accomplishments).

⁶⁵ Note that text of this paragraph has been rephrased – in reference to ESCAP's 'final comments', as per Annex 7.

⁶⁶ Subprogramme 5: Transport and tourism: To improve the movement of goods and people and to strengthen the role of tourism in economic and social development.

6. Output implementation rates are good, but are perceived as telling little about results

27. ESCAP's output implementation rate for the 2004-2005 biennium was 96% for both mandated and total outputs⁶⁷, compared to an average for the Secretariat of 90 and 91%, respectively. OIOS noted that as of 5 June 2007 ESCAP's rate of implementation of mandated outputs for the first year of the *current* biennium was 49%, against 36% for the Secretariat as a whole.⁶⁸ While departures from programme commitments amounted to 11%, the overwhelming majority (97%) were terminated due to legislative mandates.⁶⁹ ESCAP has reported 15% of its outputs as currently in progress and around 36% as not yet started. ESCAP has implemented 51 new outputs, 47 of which were implemented at the request of its intergovernmental bodies and only 4 added at the discretion of management. OIOS noted that the lowest implementation rate was in subprogramme 8 which stood at 26%. This subprogramme also carries the highest number of terminated outputs (24%) and one of the lowest in implementing additional outputs, although the majority of terminations were due to legislative reasons.⁷⁰

28. Interviews and document records show that ESCAP has recognized the limitations of the UN Secretariat RBM system's orientation towards *outputs*, in particular with regard to the established categories of outputs and the 'attribution gap' between outputs and 'expected accomplishments'. As noted by ESCAP, current output categories largely describe routine activities of a generic kind, without necessarily having a clear link to the associated results.⁷¹ Therefore, in ESCAP's own RBM practice, the notion of 'intermediate results' was introduced as part of formulating the 2006-2007 budget⁷² – thereby seeking to bridge outputs and expected accomplishments.⁷³ Based on its in-depth interviews with staff, it is OIOS' impression that this practice, representing a departure from the Secretariat-wide RBM results framework instructions, has been instrumental to the perception of ESCAP staff that the RBM approach had been useful to the formulation of their strategic framework and workplans. ESCAP staff interviewees broadly agree that the results framework approach has been helpful, in particular, to their programme planning process by virtue of inducing meaningful reflection on the contribution that ESCAP seeks to affect at the level of outcomes rather than just activities. However, no

⁶⁷ As reported in table 1, page 49 of A/61/64.

⁶⁸ We also note similarly favourable comparison in respect of implementation rates as of 18 January 2007, which stood at 39% for ESCAP versus an average of 28% for Secretariat as a whole.

⁶⁹ Comprising 64 outputs out of the total of 66.

⁷⁰ For more details of output implementation rates broken down by subprogramme, see Annex 3.

⁷¹ In particular we note the paper on 'Towards Redefining Outputs and Introducing Output Indicators in the United Nations Secretariat's Results Framework', Note to UN Working Group on M&E, ESCAP, 13 August 2004.

⁷² The 'intermediate results' have been included in the official ESCAP budget *proposal*, or 'red book', which was used as basis for discussions with regional member states, but not in the final budget fascicles.

⁷³ Illustratively, pertaining to the subprogramme 2 (Statistics) expected accomplishment "Increased national capacity... to provide data required for measuring progress towards achieving internationally agreed development goals", *four* intermediate results were formulated: "1. High-level policy-makers have a forum available for the discussion of issues which have implications for the management and development of national statistical systems; 2. Official statisticians and users in the region have forums and other vehicles available to them for sharing good practices and formulating common views; 3. Official statisticians in the region are knowledgeable about internationally recognized statistical standards; and 4. Senior statisticians of the region are knowledgeable about operation management issues related to NSSs and are able to coordinate."

monitoring of these 'intermediate results' was done and thus the linkage between the outputs and the EA they were supposed to support has not been fully clarified within ESCAP.

Memorandum Item:

In the Note to the UN Working Group on M&E, in August 2004, an ESCAP Working Group member commented on overall UN Secretariat treatment of outputs (extract):

* *Outputs do not need to be formulated in such a way that their contribution to the achievement of any given expected accomplishments is clearly shown..... In most cases, the definition of outputs, as in the past, continues to be based on activities that have been planned by particular subprogrammes rather than on the expected "change in behaviour by the target group" that outputs are supposed to contribute to.*

* *The distinction between activities and outputs is unclear. In most cases, outputs are, effectively, indicators of activities. E.g. Activity: "Organize 1 workshop". Output: "1 workshop". (A more meaningful output could be: "50 qualified health officials"). This has led to the definition of very large numbers of outputs (often hundreds per subprogramme), the sheer multitude of which, again, are difficult to link meaningfully to the achievement of any particular expected accomplishment.*

(Outputs) ...are not logically integrated into the results hierarchy, while continuing to form the basis for the budgeting exercise. As long as this is the case, meaningful results-based management (planning, budgeting, implementation, monitoring and evaluation) will not be possible. Also, efforts to clarify the intention of expected accomplishments and their related indicators are likely to continue to be futile.

7. Individual and divisional workplans are not linked

29. The alignment of divisional work programmes and individual work plans are essential to a coherent and comprehensive RBM effort. OIOS notes with satisfaction that ESCAP has included M&E responsibilities in subprogramme managers' e-PAS. Among the 42 e-PASes reviewed by OIOS⁷⁴, there were a total of 196 goals. However, only 25 of these (13%) had a clear match among expected accomplishments within the ESCAP results framework. This gives a sense of fragmentation and ambiguity of purpose at the working level and should be corrected if RBM is to be coherent and effective. Moreover, whilst each e-PAS typically included from 3 to 6 goals, few included quantifiable targets or deadlines. Most goals were very generic descriptions of duties similar to job profiles, presenting the tasks the individual will participate in – rather than the programmatic accomplishments expected. OIOS further notes that links between individual and departmental goals and objectives are frequently missing.

Memorandum Item:

PPBME rule 107.3 (e) explicitly states that no information shall be transmitted between the programme evaluation and the personal performance appraisal systems PPBME.

⁷⁴Comprising Division and Section Chiefs, together with Head of Regional Institutions.

8. Fundraising and Extra-budgetary Management is fragmented and requires a more coherent and transparent approach

30. As part of ESCAP's revitalization exercise commencing in 2001, an ambitious Technical Cooperation Strategy⁷⁵, divided into four major sections, was developed in 2003. Review of data indicates that some of the technical cooperation areas where action was noted such as the incorporation of strategic principles in the project planning and formulation guidelines were essential to improving project design. The inclusion of results frameworks in project design as well as a participatory review of key planning documents brought more focused results-based planning. However, many of the other elements of the strategy were only partially implemented or saw very little progress. OIOS noted partial implementation of the use of M&E information in the preparation of new programmes and projects, the promotion of Knowledge Management processes and tools, the use of e-TC as well as the envisaged TC reporting and evaluation processes among others.

31. ESCAP's current XB portfolio involves total funding of \$12.4 million.⁷⁶ Although the 2006-2007 budget assumes a slight increase in XB resources, OIOS notes that several subprogrammes⁷⁷ are budgeted for a decline in XB resource availability.⁷⁸ In 2006, expenditures were \$ 9.6 million. As of April 2007, an allotment of \$ 8.7 had been made.⁷⁹ XB funding is currently allocated among 90 different projects, each with an average annual expenditure in 2006 of US\$ 96,700. Understandably, because ODA is, in effect, the only source of funds for any new activity, much time is spent on attracting and reporting to donors. However, extra-budgetary funding also adds another set of strategic planning and programme governance arrangements that function in parallel to those that apply to RB funding and the associated GA review and approval process. An inordinate amount of time is ultimately spent on multiple, disparate and small-scale donor grants, consuming a substantial amount of processing time by PMD, the operational sponsor of RBM.

32. One of the key components of ESCAP's TC strategy was an envisaged shift from project funding to the negotiation of multi-year funding agreements with ESCAP's main donors.⁸⁰ However, donor contributions to ESCAP are still largely earmarked for specific uses, for

⁷⁵ ESCAP towards 2020; Part One: ESCAP Secretariat Reform. Page 3 a).

⁷⁶ This figure was the latest one that was provided to OIOS at the time of finalizing the field visit 19 April 2007.

The total XB portfolio for the biennium would most likely reach a total funding of \$19.96 million - A/62/6 (Proposed programme budget for the biennium 2008-2009 for the Economic and social development in Asia and the Pacific).

⁷⁷ Such as 1, 3, 5, and 8.

⁷⁸ XB Funding (\$'000)

	Combined Value	Avg. per-project
Total Portfolio Value	12.400	169
Expenditure 2006	9.600	49
Allotment 2007	8.700	91
<i>Source: data extracted as per 19.04.07 table from PMD</i>		

⁷⁹ From the figures available in Annex 4, it is evident that there is a developing trend to spend more than what is actually received, with the exception of 2006 which shows an increase in XB funding due to the tsunami.

⁸⁰ TC strategy, part E.3.b).

example involving activities undertaken in sponsoring countries or with use of their technical expertise. 'Discretionary' income, i.e. funding that is available for use as per ESCAP's own emerging priorities, is minimal.⁸¹ In some cases, ESCAP runs the risk of being beholden to the priorities of individual donors. The subprogrammes, perceiving each other as competing for access to a limited pool of resources, are somewhat guarded and protective of their donor liaison; with these frequently being disparate and not easily reconcilable within a coherent strategic thrust. OIOS finds that the electronic technical cooperation (e-TC) software application, used for tracking use of XB funds, is not available to all on the Intranet. Progress reports and evaluations are not necessarily shared among different subprogrammes. OIOS therefore suggests that ESCAP explores measures to increase the transparency of its extra-budgetary management and fundraising strategies.

Memorandum Item:

XB funding, and in particular resources that are 'ODA-eligible', differ from assessed RB funding in terms of volume of potential availability; decision-making criteria; parameters of planning, negotiation and liaison; and in terms of data collection and reporting. Because the process and procedures that apply to RB funding is perceived as inadequate, ESCAP (and other Secretariat entities) have developed separate and parallel governance arrangements for management of ODA/XB funding.

Memorandum Item:

There is no UN system-wide solution to the management of XB and ODA funds, causing a fragmented and less transparent approach to monitoring and reporting on TC activity. Several Secretariat programmes have separately and in parallel developed IT systems and databases that address management of ODA funds and reporting to donors (e.g. Profi (UNODC), Pro-tracks (ECLAC), Projects Portal (ITC), e-TC (ESCAP, ESCWA)). OIOS recommends that such functionality be integrated within the forthcoming corporate ERP development effort.

9. ESCAP reporting is timely and quantitatively comprehensive, but systematic evidence of effectiveness remains elusive

33. OIOS observes that ESCAP's IMDIS data entry is generally undertaken in a timely manner, is fairly comprehensive and in line with the instructions and guidelines that have been prescribed from UN Headquarters. With the exception of some elements missing from EDM⁸², the majority of data collection plans (methodologies) have been established and performance measures updated. The latest performance data uploaded to IMDIS⁸³ shows that all substantive subprogrammes have furnished results analysis at the indicator level for the first year of the

⁸¹ Latest non-earmarked funds were 'Programme of Work Trust Fund', with \$24,000 received in 2006 and \$31,000 in 2005, respectively.

⁸² As reflected in Annex 6; under Executive Direction and Management, OIOS noted that only 50% of the methodologies to collect indicators of achievement data were established, 88% of the actual performance measures were collected and 75% of the preliminary IoA level results analysis were documented.

⁸³ As of 16 April 2007.

biennium.⁸⁴ Additionally, the narrative ‘accomplishment accounts’ reports have been prepared for all expected accomplishments. Although only 38% of the actual performance measures have been provided, 93% of interim observations at the IoA level have been documented. These reporting figures compare with an average of 58% of actual performance measures and 54% of interim observations at the IoA level for the Secretariat as a whole.⁸⁵ It is evident that PMD efforts have helped bring a degree of discipline and uniformity to the reporting.⁸⁶ However, whilst noting the timeliness and quantitative scope of ESCAP’s reporting, OIOS also notes that the existing reporting, as entered into IMDIS as well as what has been provided to regional stakeholders through periodic reports to the Commission, largely comprises narrative material⁸⁷, without systematic reference to quantitative baseline and targets.⁸⁸ Also, reporting does not seek to reconcile performance claims with expenditures. Lastly, OIOS notes that the ‘intermediate results’ that were formulated as part of ESCAP’s programme budgeting process have not been subject to any systematic or periodic monitoring, evaluation or reporting.⁸⁹

34. Thus, whilst we find that ESCAP has made a commendable effort to introduce RBM in compliance with the corporate framework, OIOS’ review suggests that those efforts have not translated into much tangible improvement of the systematic availability of objective evidence to demonstrate ESCAP’s overall relevance or effectiveness. The Executive Secretary’s assertion that “*the UNESCAP secretariat has a direct impact on nearly two-thirds of the world’s population*”⁹⁰ does, in OIOS’ view, remain an aspiration rather than an observation that follows from facts and analysis brought forth by ESCAP’s RBM system. When it comes to the essential RBM-related question of ‘*what difference has ESCAP made?*’, the most frequently cited example of an associated outcome emanates from the transport and trade facilitation sectors – where its work with transit issues, and the ‘trans-Asia highway’ in particular, appear widely recognized. Otherwise, external stakeholders who testified to OIOS do not appear to have a clear image of what the ultimate results of ESCAP’s work are. The overall effectiveness of ESCAP does not clearly come out of available performance reporting and, in particular, its ‘comparative advantage’ in country-level capacity development for economic and social development is subject to uncertainty. Undoubtedly, the participation of technical experts in ESCAP’s meetings and activities does bring some regional considerations to national policy-making. But it is not obvious that those efforts have translated into material effects. At the same time, ESCAP’s relative value-added or ‘comparative advantage’ at the country and sectoral levels of capacity development, in tourism or ICT, for instance, is not apparent.⁹¹ When it comes to ESCAP staff’s

⁸⁴ Substantive subprogrammes exclude EDM. For More details see table 3 under Annex I.

⁸⁵ Further details on ESCAP’s compliance with IMDIS monitoring and reporting requirements, broken down by subprogrammes, is provided in the annexed table ...

⁸⁶ OIOS notes, for instance, the common structure of ‘accomplishment accounts’, comprising the following sections: Settings; Challenges; End-users; Intermediaries; Events/Actions taken (Events, Meetings, Publications); Statements of accomplishments/results achieved; Lessons learned/areas needing improvement.

⁸⁷ We note a total of 17 ‘accomplishment accounts’, with a total of 37.656 words, plus a further 17 separate supporting documents having been posted on IMDIS.

⁸⁸ E.g. Programme Performance Report for the biennium 2004-2005 (E/ESCAP/1374 of 16.02.06), Annual Report 29.04.04-18.05.05 (E/ESCAP/1359) and Annual Report 19.05.05-12.04.06 (E/ESCAP/1390).

⁸⁹ An thus included in its ‘red book’, the ‘Proposed Programme Budget, 2006-2007, ESCAP.

⁹⁰ E.g. in statement ‘*My vision: A New Direction*’, <http://www.unescap.org/oes/closer.asp>.

⁹¹ E.g. as found by ESCAP ‘External Evaluation’ undertaken in June 2006.

own perceptions of general effectiveness of the RBM/RBB framework as a *strategy for achieving ESCAP objectives*, only 7% of respondents gave a 'very effective' rating.⁹²

10. Much remains to be done on information-sharing and knowledge management

35. A knowledge management initiative was launched in 2004 with the creation of a knowledge management team to draw up a plan for its implementation in ESCAP. Whilst a knowledge management framework *plan* was developed in 2005, there is no knowledge management strategy yet in place and important elements of an information-sharing system are still missing.⁹³ OIOS' impression is that long-standing problems with horizontal communications among divisions remain.⁹⁴ The pilot knowledge management intranet page mainly contains outdated material.⁹⁵ Information sharing is limited, sporadic and in some instances not very well organized.⁹⁶ There are several electronic tools that are not periodically updated or used.⁹⁷ Nevertheless, the recent recruitment of a knowledge management officer⁹⁸ and his participation in the ICT committee is a step in the right direction. OIOS appreciates that it is difficult for any organization to capture and document all knowledge assets and make them available in a structured manner. However, there are small steps that could be taken to promote knowledge sharing and cooperation within ESCAP; for example by making sure that divisional and sectional level information both on the internet and intranet is thoroughly updated and maintained; ensuring that shared folders are available to all including the Regional Institutions; providing remote access to web based applications and linking the different databases so that information can be interconnected and cross-referenced. Another OIOS concern is the integration of the different electronic information systems that capture performance data, of which there are currently at least three - IMDIS for subprogramme level performance information, e-TC for Technical cooperation financial and activity based information and READ for the monitoring of mission reports and travel for Regional Advisors. The lack of interfaces and cross-referencing limits the effective coordinated use of these systems. OIOS notes that the electronic system to capture TC work, e-TC, has several limitations. While available on the LAN for any staff requesting access, it currently has no web version, does not incorporate results-based information, is not used for project planning and design, and is ultimately not systematically updated. E-TC is used mostly by project officers and administrative staff, more so than by subprogramme managers.

⁹² With distribution of other responses being 58% 'somewhat effective', 16% 'somewhat ineffective', 9% 'very ineffective' and 10% 'no opinion'.

⁹³ This framework plan is available through the following link:

<http://157.150.137.100/km/file/KM%20Framework%20Plan%20for%202005.doc>.

⁹⁴ As noted in Inspectoral Visit to Report of K. Paschke to S-G 20 July 1999, OIOS document reference 15003/99.

⁹⁵ The KM intranet page is available through the following link: <http://157.150.137.100/km/>. This KM page has not been updated for some time.

⁹⁶ Important pieces of information such as QAT/PAC decisions and deliberations, project documents, minutes of MGM, criteria and discussions on the pooling exercise, etc are not yet available to all.

⁹⁷ To give just one example, the entire sections of ESCAP's intranet related to the substantive divisions do not even have active links to basic information on what they do and how they do it. This shows the dimension of the limited knowledge sharing amongst Divisions.

⁹⁸ MGM meeting of 7 February 2007.

11. *Evaluation activity has improved, but independence and implementation of evaluation findings needs strengthening:*

36. OIOS acknowledges that evaluation activities in ESCAP have been many, varied and coordinated by staff committed to the function. In 2006 19 evaluations were undertaken, compared to 10 in 2005. Evaluation activity has been well documented. Eight of these were managed by the substantive Divisions and 11 were managed by the PMD. Out of the 11 undertaken by PMD in 2006, seven focused on the analysis of feedback of intergovernmental meetings. Although a comprehensive external evaluation of ESCAP as-a-whole was undertaken in 2006, most evaluation activity comes under the rubric of self-assessments. Nevertheless, given ESCAP's resource constraints, OIOS found the level of evaluation activity to be commendable. At the same time, it is evident that certain aspects of evaluation can realistically be improved. Although training has been provided, and general principles of good practice M&E have been widely disseminated within ESCAP, OIOS could not detect any detailed, ESCAP specific set of procedures or fact sheets on how to undertake evaluations.⁹⁹ Further, OIOS notes that there is a need to strengthen areas such as the function of evaluation within the PMD as an impartial actor (versus substantive programmes at least), evaluation capacity within subprogrammes, and the use of evaluations that are fully conducted by 'external and independent evaluators'.

37. OIOS concurs with the conclusions made in a recent report by a consultant to ESCAP that, whilst recent evaluations have yielded analysis and recommendations potentially useful to strengthening respective programme implementation, they have not really addressed whether intended (or unintended) outcomes and impacts have occurred.¹⁰⁰ OIOS also notes that there was little apparent use of the findings and recommendations emanating from evaluation reports. OIOS could not find any system for ascertaining management responses to evaluations, formulation of actions plans on recommendation implementation or for monitoring such follow-up.¹⁰¹ Also, OIOS found that evaluation reports were not easily available, i.e. on intranet.

12. *Results information is not clearly linked to decision-making*

38. Survey data indicates that those areas for which respondents, on average, showed the greatest relative dissatisfaction with RBM are those related to *use* of programme performance information. On questions about use of performance data to a) determine resource allocation and b) to make adjustments to programme of work, more than 30% of respondents gave 'poor' or 'very poor' ratings. Only 26% responded that the use of programme performance information to adjust the programme of work was excellent or good, i.e. above fair. One of the main reasons for that, in OIOS assessment, is that RBM has been considered by most staff as a compliance and reporting mechanism and less as a management tool used to inform and support decision making. OIOS understands the absence of practical utility to programmatic performance monitoring to be the most critical factor in staff's observed disenchantment with the RBM process. Staff members

⁹⁹ For example: how to prepare a Terms of Reference, what data to collect, how to establish baseline data or benchmarks, or what to expect from an evaluation exercise, how to support and collaborate with internal and external evaluators, etc.

¹⁰⁰ M. Bamberger, 'Review of ESCAP M&E Framework, Evaluation Guidelines and Sample of 5 External Evaluations', (draft) Report, 10 January 2007.

¹⁰¹ As concern also noted by an earlier OIOS audit, A/58/785, addressing all regional commissions.

interviewed expressed their reservations about the practical utility of RBM as an instrument that guides internal management of subprogrammes. Their perception is that what is subjected to detailed scrutiny is still expenditures, activities and bureaucratic outputs – rather than substantive progress towards expected accomplishments.

39. OIOS notes that the Programme Management Division had developed appropriate mechanisms for the review and approval of project proposals under the Quality Assurance Team (QAT) and then the Project Acceptance Committee (PAC).¹⁰² However, important components of quality assurance at the planning and implementation stage related to M&E were still missing. For example, the incorporation of a monitoring and evaluation plan has not been included as a requirement for project approval. OIOS noted as a good practice ESCAP holding of “Divisional Hearings” for subprogramme managers to defend their budget proposals to the ES.¹⁰³ However, similar hearings were not in place for monitoring, reporting and performance assessments.

40. OIOS reviewed ESCAP’s practice in respect of the annual “pooling exercise”, whereby unspent resources are periodically redistributed among subprogrammes. In this respect, OIOS notes that most Divisions perceive the criteria applied to be too general or not clear, such as “*priorities accorded by the General Assembly and the Commission*”.¹⁰⁴ On the division or subprogramme side, feelings are that they have to justify resources that have already been approved by the General-Assembly. OIOS believes this exercise could be made more effective if a participatory, transparent and strategic approach – that includes programme performance assessment – was used to guide the allocation of supplementary resources.

41. OIOS also noted that the frequency and transparency of the discussions at the management group meeting (MGMs) as a primary forum for management and decision-making have weakened with time. What was intended to be a weekly meeting has now turn into a monthly meeting, and OIOS’ general impression was that management group meetings principally function as a forum for briefings rather than any strategic decision-making.

42. Finally, staff interviews show concern with ESCAP’s lack of capacity to influence the UNHQ-level planning and budgeting process. Several staff expressed the view that the intergovernmental bodies, when discussing strategic frameworks and budgets, only minimally consider results actually achieved.¹⁰⁵ OIOS notes that some staff thought that major changes to the proposed log frame would not be welcomed by Headquarters as they would be difficult to defend to intergovernmental bodies. At the same time, frustration was also voiced that changes to formulation of results framework elements are made unilaterally by intergovernmental bodies¹⁰⁶ or by the Secretariat in New York.¹⁰⁷

¹⁰² Further Memoranda from ES to cluster and division heads dated 28.01.05 and 01.03.05.

¹⁰³ PMD’s memorandum to Divisions on the proposed programme budget for 2006-2007 of 29 September 2004.

¹⁰⁴ Internal instructions for Pooling Exercise was most recently disseminated through memorandum from ES to Heads of Divisions on 6 February 2007.

¹⁰⁵ Further e.g. CPC’s review of ESCAP’s 2008-2009 Strategic Framework, as per E/AC.51/2006/L.4/Add.29, ACABQ’s review of proposed programme budget for 2006-2007, as per A/60/7 pp. 112-116.

¹⁰⁶ Ibid.

¹⁰⁷ E.g. as noted in observation above regarding EDM indicators prescribed from HQ.

Memorandum Item:

Neither the structure of Secretariat budget requests, nor IMIS as a bookkeeping system, allows for monitoring aggregate expenditures at the level of 'expected accomplishments', which corresponds to the main unit of account for RBM results planning. Budgeting and book-keeping remain centered upon 'objects of expenditure' (in contrast to objectives of expenditure). Accordingly, current financial management practice does not allow any efforts to determine 'cost effectiveness'.

III. RECOMMENDATIONS

Recommendation 1

43. ESCAP should revisit its thematic clustering with regard to clarity of managerial roles and responsibilities: *either* vesting coordinating function and accountability with cluster team leaders, *or* reverting to the subprogramme level as single tier for delegation of authority. (Paras. 20-21) (SP-07-002-001).*

Recommendation 2

44. Building on the recent 'External Evaluation', ESCAP should engage Member States, regional and subregional organizations and other stakeholders in further consultations to assess, clarify and determine its current and future comparative advantages vis-à-vis other organizations both internal and external to the UN system. Following such a review, the formulation of subprogramme level expected accomplishments, indicators of achievement and performance measures need to be revisited and their focus sharpened in order to clearly project the results that are associated with ESCAP's work. (Paras. 22-28, 33-34) (SP-07-002-002).

Recommendation 3

45. ESCAP should assess and revise its TC strategy in line with the principles of RBM, for it to include clear definition of objectives and targets, identification of resources requirements, allocation of responsibilities and timelines for implementation. As part of a revised TC strategy, a special effort should be made to increase the proportion of funding that is not earmarked for predetermined activities. Consideration should be given to developing a fund-raising strategy as a necessary complement of the TC strategy. (Paras. 30-32) (SP-07-002-003).

Recommendation 4

46. ESCAP should further explore the possibility of integrating different performance management databases (e-TC, READ, IMDIS) to improve its coherence and avoid duplication and double entry. In this respect, ESCAP should consider systems developed

* Internal code used by the Office of Internal Oversight Services for recording recommendations.

by other organizations within the UN system such ProTracks in ECLAC, the Projects Portal in ITC, and engage in further consultation with the other Regional Commissions and DESA with a view to clarifying shared information management needs to be accommodated in design and implementation of the anticipated organization-wide ERP. (Paras. 32, 35) (SP-07-002-004).

Recommendation 5

47. ESCAP should establish an internal mechanism for regular periodic programme performance assessment where achievements and data collected on results is analyzed and peer reviewed, areas in need of improvement identified and adjustment to the programme of work considered. In this respect, ESCAP may wish to consider replacing the Project Appraisal Committee (PAC) for XB-funded activities with a PRC (Project Review Committee) to encompass not only the project approval process, but also to include the programme performance assessment role – pertaining to all new initiatives, whether XB or RB-funded. There should be a clear linkage between the individual and divisional work programmes in line with RBM. (Paras. 34-35, 39-40, 42) (SP-07-002-005).

Recommendation 6

48. To enhance transparency and information sharing, ESCAP should revisit its policies and practices with regard to restricting access to internal documentation. In particular, OIOS recommends that minutes of Management Group Meetings, QAT/PAC programme profile review decisions, criteria for approval and decisions pertaining to the “pooling” exercise be made available to staff through posting of such material on ESCAP’s intranet. (Paras. 35) (SP-07-002-006).

Recommendation 7

49. ESCAP should commit to further strengthening of its evaluation function, to include the following measures: a) Articulation of more detailed guidelines on practical aspects of evaluation conduct; b) Establishment of routines to ascertain a management response to external evaluations, including action plans for implementation of recommendations and central monitoring of such implementation; c) Publication of self-administered evaluation reports on ESCAP’s intranet and external evaluations on ESCAP’s public website; d) Consideration be given to commencing a series of subprogramme-wide evaluations as opposed to evaluations pertaining to individual projects or discrete activities; and e) Consideration be given to producing a summative biennial evaluation report, where the main findings, lessons learned, actions taken by management and implementation of recommendations are reported. (Paras. 36-37) (SP-07-002-007).

Recommendation 8

50. PMD should consider the possibility of including a programme performance component to the criteria for allocation of resources under the periodic ‘pooling exercise’. (Paras. 38-40) (SP-07-002-008).

Recommendation 9

51. Within its existing quality assurance and project appraisal procedures, ESCAP should incorporate monitoring and evaluation plans as a criterion for project approval. (Paras. 39) (SP-07-002-009).

Recommendation 10

52. ESCAP should share the findings of the current report with members of the Commission and other regional stakeholders. (SP-07-002-010).

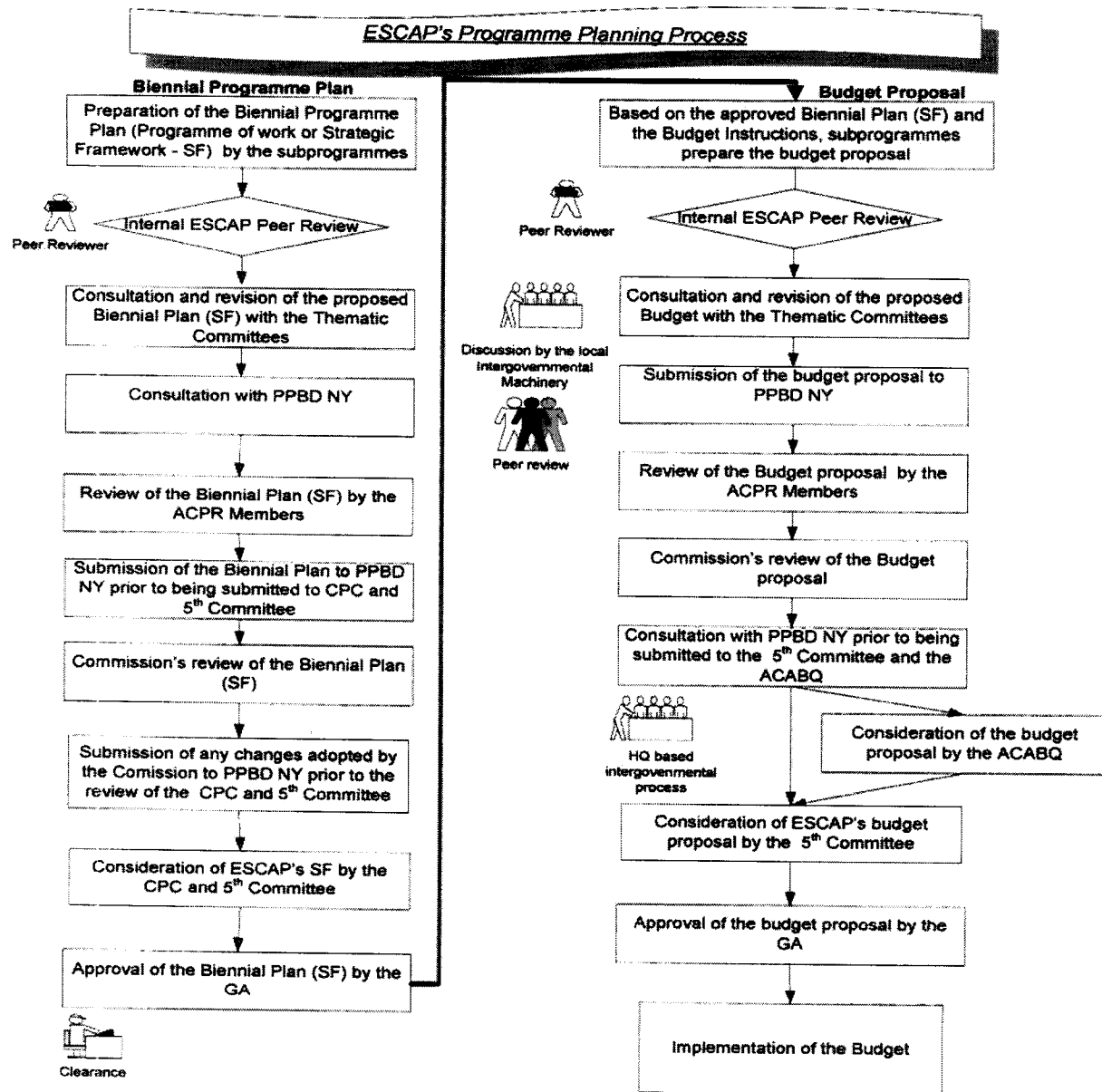
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ANNEX 1:

GENERIC ISSUES FOR OIOS RBM INSPECTIONS

<i>RISKS</i>	<i>KEY ISSUES</i>
<i>1. Translation of Mandates into Operational Objectives</i>	1.1 Alignment between Mandates, (sub) programme Objectives, Expected Accomplishments and Indicators of Achievement 1.2 Congruence between RBM Frameworks and Organizational Structures 1.3 Sensitivity of outcomes/expected accomplishments to activities and outputs
<i>2. Measurability of performance indicators</i>	2.1 Presence of Time-bound Performance Indicator Baselines and Targets 2.2 Documentation of Performance Indicator Methodologies 2.3 System for obtaining client feedback, satisfaction ratings
<i>3. Practice of Continuous Results Monitoring and Evaluation</i>	3.1 Availability of Updates/Observations on performance indicators 3.2 Practice of Self-assessment and independent evaluation 3.5 Quality of monitoring and evaluation reports and products
<i>4. Use of results information to guide decision-making</i>	4.1 Use of results information to inform resource allocation and other decision-making processes, including changes made in work programme plans 4.2 Action taken in follow-up to findings and recommendations of evaluation and other oversight reports 4.3 Sanctions and reward in performance assessment
<i>5. Partnerships and capacity development for RBM</i>	5.1 Arrangements and practices for coordination with other actors influencing outcomes pursued 5.2 Department policy, guidelines and standard operating procedures for RBM 5.3 Capacity development for RBM

Annex 2: ESCAP's Planning and budgeting process



Source: OIOS based on inputs from ESCAP

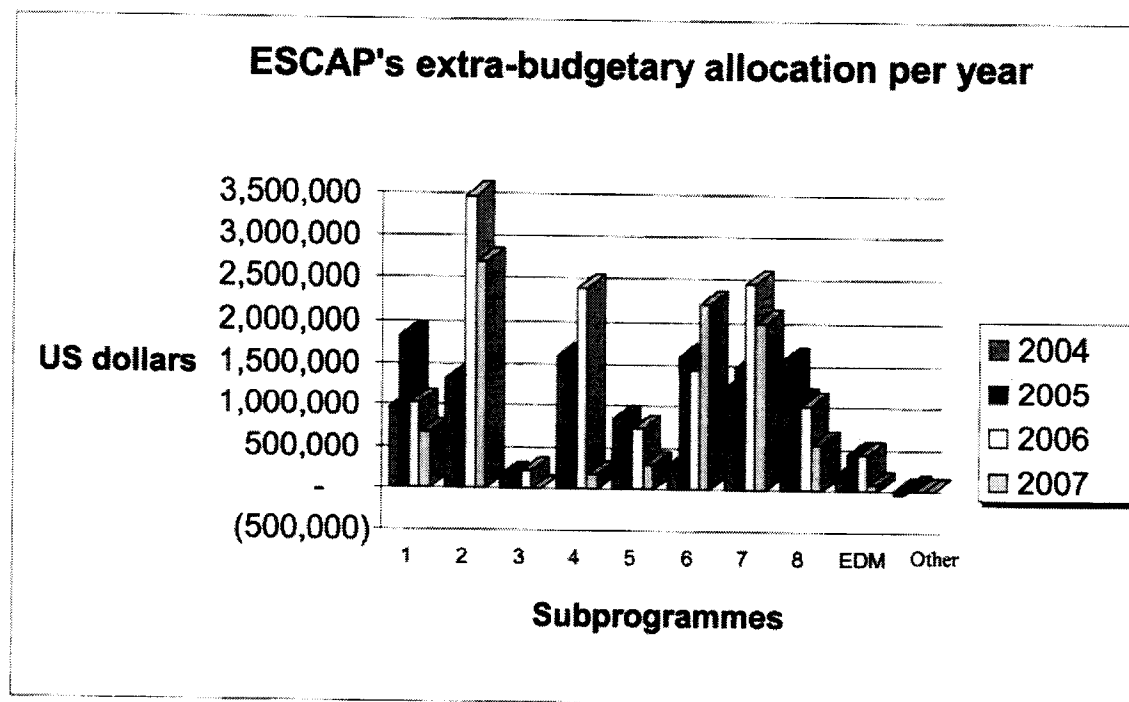
Annex 3: Output completion relative to budget commitments for the biennium 2006-2007

Subprogramme	Planned		Additions by		Implementation		Departures from programmed commitments		Implementation rates *	
	Programmed	Carried over	Legislation	Secretariat	Implemented	Reformulated	Post-poned	Terminated	Mandated	Total
Economic and social development in Asia and the Pacific										
B Executive direction and management	65	1	1	0	36	2	0	0	57	57
1 Poverty and development	82	2	5	2	44	1	0	8	49	49
2 Statistics	49	0	9	0	23	0	0	9	40	40
Development of Pacific island countries and territories	20	0	0	0	9	0	0	0	45	45
3										
4 Trade and investment	65	0	8	0	45	1	0	8	63	63
5 Transport and tourism	60	1	2	0	24	4	0	0	44	44
6 Environment and sustainable development	48	1	10	0	36	0	0	9	61	61
Information, communication and space technology	104	3	10	2	73	0	0	8	62	61
7 Social development, including persistent and emerging issues	117	5	2	0	31	1	0	24	26	26
8										
Total:	610	13	47	4	321	9	0	66	49	49

Annex 4: ESCAP's extra-budgetary allocations by year (2004-2007)

Subprogramme	Allocation 2004	Allocation 2005	Allocation 2006	Allocation 2007	Total fund balance
1. Poverty and development	961,062	1,812,715	1,034,730	673,713	971,189.47
2. Statistics	1,317,536	429,239	3,464,996	2,683,908	2,510,812.40
3. Development of Pacific island countries and territories	154,211	53,033	220,538	-	72,084.83
4. Trade and investment	1,592,659	1,372,220	2,381,799	184,811	2,201,712.58
5. Transport and tourism	840,404	450,391	738,435	299,288	726,281.63
6. Environment & Sustainable	302,598	1,598,634	1,436,310	2,212,089	2,838,782.30
7. Info & Com & Space	1,243,724	1,481,689	2,443,240	1,998,055	2,024,711.51
8. Social development	1,557,544	1,093,985	1,016,219	551,668	761,782.98
D. Programme support/EDM	194,990	436,937	428,269	80,795	302,217.70
E. Others	(33,195)	45,054	115	-	-
Grand Total	8,131,534	8,773,897	13,164,651	8,684,328	12,409,575.41

Graph 1. ESCAP's trends on extra-budgetary allocation per year



Annex 5: Status of ESCAP performance reporting

Subprogramme	# IoA*	Complete IoA methodologies ¹⁰⁸		Performance measures (adopted)		Performance measures (actual)		Complete IOA results analysis	
		#	%	#	%	#	%	#	%
B. Executive direction and management	8	4	50	7	88	8	100	6	75
1. Poverty and development	3	3	100	3	100	0	0	3	100
2. Statistics	2	2	100	2	100	1	50	2	100
3. Development of Pacific island countries and territories	2	2	100	2	100	0	0	2	100
4. Trade and investment	3	3	100	3	100	0	0	3	100
5. Transport and tourism	4	4	100	4	100	0	0	4	100
6. Environment and sustainable development	3	3	100	2	67	0	0	3	100
7. Information, communication and space technology	2	2	100	2	100	2	100	2	100
8. Social development, including persistent and emerging issues	2	2	100	1	50	0	0	2	100
Grand total	29	25	86	26	90	11	38	27	93

¹⁰⁸ Data collection plans established

Annex 6: ESCAP RESULTS FRAMEWORK 2006-2007

Expected Accomplishments	Indicators of Achievement	Performance Measures
Executive Direction and Management: To ensure full implementation of legislative mandates and compliance with UN policies and procedures with respect to the management of the programme of work and of staff and financial resources of ESCAP		
(a) Programme of work is effectively managed and supported by staff and fin. Resources	1 (i) Timely delivery of outputs and services	2/3: 89 % output delivery within deadlines Est. 4/5: 95 % dto Targ. 6/7: 99 % dto
	2 (ii) Timely recruitment and placement of staff	2/3: avg. post vacancy of 357 days Est. 4/5: 334 dto Targ. 6/7: 260 dto
	3 (iii) Full and effective utilization of resources	2/3: 99 % exp. vs. funds authorized Est. 4/5: 99 % (dto) Targ. 6/7: 100 % (dto)
(b) Identification of emerging issues that require attention by member States	4 Incr. # of rec.'s by intergovernmental bodies on emerging issues identified by ESCAP	2/3: 9 rec.'s Est. 4/5: 12 rec.'s Targ. 6/7: 14 rec.'s
(c) Enhanced policy coherence in the management of the economic and social dev. activities of ESCAP	5 Incr. % of projects or group training events organized with other UN entities	2/3: 10 % Est. 4/5: 15 % Targ. 6/7: 20 %
(d) Progress towards graduation of the LDCs through mobilization of regional efforts to address the identified concerns of the LDC, landlocked and island dev. countries in line with their global mandates	6 Incr. # of substantive decisions, rec.'s or resolutions from IG and legislative meetings that address specific concerns of the priority groups of countries	2/3: n/a Est. 4/5: tbd at the end of 5 Targ. 6/7: 10 % incr. compared w/ 4/5
(e) Mobilization and promotion of public information on the role of ESCAP in A&P	7 (i) Incr. media coverage of ESCAP activities	2/3: 1,300 media articles on ESCAP Est. 4/5: 1,320 dto Targ. 6/7: 1,400 dto
	8 (ii) Incr. usage of public information provided by ESCAP	2/3: 500,000 pageviews of UNIS web page Est. 4/5: 1.5 million dto Targ. 6/7: 1.7 million dto
Subprogramme 1: Poverty and development: To achieve int. agreed goals and targets relating to pov. red. and social and economic development		
(a) Nat. policymakers and planners have incr. cap. to design and implement pov. red. policies that are effective, sustainable and gender-responsive	9 Incr. # of measures taken by policymakers and planners to ensure that pov. red. policies are more effective, sustainable and gender-responsive	2/3: n/a Est. 4/5: 30 policy measures Targ. 6/7: 35 policy measures
(b) Incr. cap. of Gov.'s, civil society and the private sector in A&P, and particularly the LDCs, to formulate and implement pov. red. prog's that are effective, sustainable and gender-responsive and that focus on economically vulnerable groups	10 Incr. # of measures taken at the nat. level to formulate and implement pov. red. prog's that are effective, sustainable and gender-responsive	2/3: 5 best practices implemented Est. 4/5: 13 dto Targ. 6/7: 20 dto
(c) Incr. involvement of civil society organizations in the work of ESCAP	11 Incr. # of CSOs participating in the activities of ESCAP	2/3: n/a Est. 4/5: 3 civil society organizations Targ. 6/7: 8 dto
Subprogramme 2 – Statistics: To improve the cap. of nat. stats. systems for monitoring progress towards achieving int. agreed dev. goals, including those contained in the MD and in the outcomes of major UN conferences and internat. agreements since 1992, at the request of members and associate members		
(a) Incr. nat. cap. in A&P, and particularly the LDCs, to provide data required for measuring progress towards achieving int. agreed dev. Goals	12 Incr. # of nat. stats offices that are able to provide data for measuring progress towards achieving int. agreed dev. goals	2/3: 9 countries Est. 4/5: 29 countries Targ. 6/7: 40 countries
(b) Incr. access for all stakeholders in society to stats data in A&P	13 Incr. # of freely accessible publications and websites containing	2/3: n/a

that accord with int. recognized stats standards and reflect gender concerns, especially data required for measuring progress towards achieving int. agreed dev. Goals	3	stats data on the ESCAP m' ship that conform to int. recognized stats standards and principles, reflect gender concerns and indicate progress towards int. agreed dev. goals	Est. 4/5: 9 websites Targ. 6/7: 14 websites
Subprogramme 3 - Development of Pacific island countries and territories			
(a) Incr. cap. of nat. Governments in Pacific island dev. countries and territories to monitor and achieve progress in achieving int. agreed dev. Goals	1 4	Incr. # of effective measures taken by Pacific island dev. countries and territories to monitor and achieve relevant elements of the int. agreed dev. goals	2/3: n/a Est. 4/5: 3 ESCAP POC. recommended and/or assisted measures adopted Targ. 6/7: 5 dto
(b) Incr. cap. of Gov's, CS and the priv. sect. in Pacific island dev. countries and territories to formulate and implement effective gender-responsive pov. red. prog's that focus on promoting sust. access to services for soc. vulnerable groups	1 5	Incr. # of gender-responsive pov. red. prog's formulated and implemented in Pacific island dev. countries and territories	Est. 4/5: 3 prog's based on ESCAP Pac. Op. Cnt. Rec's and/or assisted by the Cnt. Targ. 6/7: 7 dto
Subprogramme 4 - Trade and investment: To benefit more fully from the globalization process through Incr. global and regional trade and investment flows			
(a) Incr. nat. cap. to negotiate, conclude and implement multilateral and regional trade and investment agreements designed to promote inter- and intra-subregional trade and investment flows	1 6	(i) Incr. # of ESCAP member countries making progress towards becoming members of reg. & multilat. trade and investment agreem. and mech. (e.g. the Bangkok Agreement and the WTO)	2/3: 3 member countries Est. 4/5: 3 member countries Targ. 6/7: 8 member countries
(b) Incr. nat. cap. to develop and implement trade and investment policies and prog's designed to enhance supply-side cap. and int. competitiveness of exports	1 7	(ii) % of officials who indicate that they are better able to negotiate, conclude and implement trade and investment agreements	2/3: n/a Est. 4/5: 65 % Targ. 6/7: 70 %
(c) Incr. nat. cap. to develop and implement trade and investment policies and prog's in trade and investment	1 8	Incr. # of measures/mechanisms established for the dev. of policies and prog's in trade and investment	2/3: n/a Est. 4/5: 10 measures Targ. 6/7: 11 measures
Subprogramme 5 - Transport and tourism: To improve the movement of goods and people and to strengthen the role of tourism in econ. & soc. dev.			
(a) Strengthened nat. cap. to formulate policies on and implement initiatives for improving the efficiency of logistics and enhancing particip. in reg. and subreg. agreem's. relating to transp. and tourism infrastructure and facilitation	1 9	(i) Incr. # of nat. policy decisions and position papers that reflect ESCAP-promoted prog's	2/3: 2 countries taking action to adopt prog's Est. 4/5: 8 dto Targ. 6/7: 10 dto
	2 0	(ii) Incr. # of countries and org's. using ESCAP meth. to measure red.s in time & cost of transport, in part. to landlocked countries and through transit countries	2/3: 4 countries and organizations Est. 4/5: 8 dto Targ. 6/7: 10 dto
	2 1	(iii) Incr. # of countries participating in regional and subregional agreements	2/3: n/a Est. 4/5: 8 countries taking action Targ. 6/7: 10 dto
(b) Incr. nat. cap. to develop and implement policies and prog's to promote transport and tourism as an entry point for pov. red.	2 2	Incr. # of nat. officials taking measures to develop and implement policy papers and prog's in the transport and tourism sectors that reflect ESCAP-promoted prog's and initiatives to reduce pov.	2/3: n/a Est. 4/5: 3 countries taking action towards the adoption of pov.-red. policy Targ. 6/7: 8 dto
Subprogramme 6 - Environment and sustainable development: To facilitate the integration of the three dimensions of sustainable dev., namely, economic dev., social dev. and environmental protection			
(a) Incr. nat. cap. to develop and implement effective, gender-responsive policies and prog's in partnerships with CS and the priv. sect. for enhancing environmental protection, energy resources and water resources mngt	2 3	Incr. # of measures taken to promote sustainable, gender-responsive nat. policies and prog's in environmental protection, energy resources mngt and water resources mngt	2/3: n/a Est. 4/5: 7 policy measures Targ. 6/7: 10 policy measures
(b) Incr. nat. cap. for transboundary coop. and for monitoring progress at the nat. level in achieving the int. agreed dev. goals, including those contained in the UN Millennium Declaration and in outcomes of the major UN conferences and int. agreements since 1992	2 4 2 5	(i) Incr. # of measures taken to strengthen transboundary collab. on sustainable dev. (ii) Incr. # of measures taken at the nat. level to improve sustainable dev. monitoring mechanisms	2/3: n/a Est. 4/5: 5 policy measures Targ. 6/7: 5 policy measures 2/3: n/a Est. 4/5: tbd

Subprogramme 7 - Information, communication and space technology: To improve access to, and the dev., transfer and application of, information, communication and space technology in order to maximize the benefits of globalization		Targ. 6/7: 10 policy measures
(a) Incr. nat. cap. to develop and implem. policies and prog's, including regulatory and institutional frameworks, that facilitate equitable access to info., communication and space technology for dev.	2 6	Incr. # of measures taken to improve regulatory frameworks 2/3: 2 policies and laws Est. 4/5: 5 policies and laws Targ. 6/7: 6 policies and laws
(b) Enhanced nat. cap. to apply info, communication and space tech. in planning and implementing socio-economic dev. prog's, including for the promotion of gender equality	2 7	Incr. # of measures taken at the nat. level to apply information, communication and space technology in the dev. of nat. socio-economic dev. prog's 2/3: n/a Est. 4/5: 5 initiatives Targ. 6/7: 6 initiatives
Subprogramme 8 - Social development, including persistent and emerging issues: To improve access for socially vulnerable groups to basic services (including health care), income and productive assets, the physical environment and decision-making		
(a) Incr. nat. cap. to promote accessibility of services for soc. vulnerable groups, taking account of gender dimensions and the rights-based approach for persons w/disabilities	2 8	Incr. # of measures taken by countries to formulate or strengthen policies promoting access to services 2/3: n/a Est. 4/5: 9 activ./initiat. taken by countries Targ. 6/7: 20 dto
(b) Incr. nat. cap. to monitor progress in achieving the int. agreed dev. goals contained in the MD and the outcomes of major UN conf. pertaining to pov. red., gender equality, health and socially vulnerable groups	2 9	Incr. # of measures taken by countries to strengthen monitoring mechanisms aimed at measuring progress in achieving relevant elements of int. agreed dev. goals 2/3: n/a Est. 4/5: tbd Targ. 6/7: 20 activities/initiatives taken by countries

Additional ESCAP comments on the OIOS final draft report on the inspection of results-based management at ESCAP

Page 14:

- **Para 22** – *It should be noted that most objectives of all five regional commissions are formulated in a similar manner. Effectively, the level at which objectives are pitched, as well as the chosen syntax, reflects a systemic requirement (i.e. system-wide instructions and treatment). It is thus not by choice that ESCAP formulates objectives in this manner. In fact, ESCAP is of the opinion that objectives, as they are currently formulated, cannot be seen as representing a higher results level (e.g. equivalent to an outcome) as is implied by the report (viz. "...objectives at this level of the results framework..."). Rather, objectives are, due to the way in which UNHQ requires them to be defined, very broad descriptions of the subprogrammes.*

As such, ESCAP agrees that the objectives "better suit e.g. a UN-wide plan outline, rather than an individual institution...such as ESCAP". ESCAP would welcome a system-wide reform of the results framework that would enable (i) the formulation of clear UN-wide objectives at a macro level, (ii) the definition of concrete outcomes for each subprogramme, with clear indicators, at a meso level, and (iii) the specification, under each outcome, of expected accomplishments, with clear indicators, at the micro level. With such a reform, the UN's results-framework could begin to lend itself to meaningful results-based planning, budgeting, implementation, monitoring and evaluation.

Page 15:

- **Paras 23 and 24 (Expected Accomplishments and corresponding indicators)** – *Similarly, it should be noted that most expected accomplishments (and corresponding indicators) of all regional commissions focus on strengthening "national capacities" of member States (i.e. this approach is not unique to, or typical of, ESCAP). ESCAP, along with the other regional commissions, has sought to identify ways in which to demonstrate its value added on the basis of regional-level indicators. However, in most cases, results at the regional level, and corresponding indicators, are at a very high level and would not enable ESCAP to demonstrate its contribution to achievements. At the more immediate level (i.e. within the framework of one biennium), the regional commissions' approach, typically would be to contribute towards building national capacities, based on regional inputs provided through the respective regional commission. After all, the regional approach of the regional commissions is not an end in itself. It constitutes a unique modality through which capacities of member states are strengthened with a view, in particular, to cooperating more effectively amongst each other.*

The apparent expectation, therefore, that a regional commission should be able to demonstrate regional achievements at the level of expected accomplishments may be misplaced. Rather, the challenge for regional commissions is to demonstrate how their particular approach adds value vis-à-vis, and in collaboration with, other development partners, in the UN and beyond. In many cases, the regional commissions' work in areas which are not covered by other development partners. In the case of ESCAP, this includes, e.g. its work in the areas of transport, disability, tsunami-preparedness, etc. In other cases, the regional commissions' approach is considered to add value to the efforts of other partners, contributing a regional perspective and the views of

other countries. In the case of ESCAP, this includes, e.g. its work in the areas of trade, environment and population.

While there is considerable scope, in the context of expected accomplishments, to improve the definition and measurement of ESCAP's contribution to strengthened national capacities, an alternative would be for ESCAP and other regional commissions to focus strictly on regional, subregional or inter-country initiatives. ESCAP's capacity-building efforts could thus relate specifically to such initiatives and could therefore be measured more easily. However, it is not clear whether there would be intergovernmental consensus, at this point, to undertake such a fundamental programmatic shift which would imply abandoning many programmes through which ESCAP is considered to add value by providing regional forums to exchange experiences and best practices relating to national-level development concerns.

- **Paras 24 and 25 (Indicators)** - The difficulties with indicators, as they are currently formulated, is acknowledged. However, one important systemic challenge should be noted in this regard: According to ESCAP's understanding, the building of capacity (through training, workshops, forums, conferences, etc.) within the framework of one biennium cannot realistically bring about changes in behaviour. At best, ESCAP could hope to demonstrate that counterparts have more knowledge, understanding and skills. Capacity is thus considered to be "latent" rather than "applied". However, in line with system-wide instructions, indicators of expected accomplishments are supposed to capture some change in behaviour, i.e. the use of knowledge, understanding and skills, which effectively goes beyond the intention of ESCAP's expected accomplishments. As a result, due to these requirements, it is difficult for ESCAP to properly align and develop meaningful indicators with expected accomplishments, with the consequence that the indicators attempt to measure a level of progress that goes beyond the expectation of the expected accomplishments.

The statement that "a problem with these indicators is that it cannot necessarily be assumed that undertaking a measure in response to an ESCAP initiative will lead to the underlying EA of increasing national capacities" is unclear in so far as it is ESCAP's understanding that indicators should not, generally, "lead to" the corresponding result. Indicators describe the corresponding result. They are not its cause. In this particular case, therefore, the "taking of a measure" (of a particular type, quality or quantity that should ideally be - but is frequently not - clearly defined) should demonstrate that counterparts have some kind of capacity that they did not have prior to ESCAP's intervention. The ambition is not to show that the "taking of a measure" will contribute to further capacity development.

The challenge, of course, remains as to how to demonstrate that the "taking of a measure" (indicating new capacity) was due to the intervention of ESCAP. However, based on OIOS training delivered to ESCAP staff, ESCAP is of the understanding that attempting to demonstrate direct attribution is not necessary, and that, instead, ESCAP should try to demonstrate, plausibly, that its activities contributed to the building of capacities that, in their turn, led to the "taking of a measure".

Page 17:

- **Para 28, last sentence** - ESCAP pointed out that the current sentence implies that no monitoring of intermediate results (IRs) has been carried out. The current situation is that while monitoring of IRs may be performed by individual staff members, there is no systematic or periodic system of monitoring intermediate results. This is in line with the OIOS comment in the last sentence of para. 33. It should be noted that the intermediate result level was initiated in ESCAP as a planning tool in an attempt to link outputs to a limited number of expected accomplishments, rather than as a required monitoring tool (no requirement or facility for reporting on intermediate results exists in IMDIS).

Page 20:

- **Para 34** – ESCAP noted that while the current reporting may not fully capture the results of ESCAP's work, it is to a large extent due to the constraints of the current results framework, as had been earlier pointed out by OIOS in this report. Since regional value-added is not easily reflected in the current results framework, it may be specious to draw conclusions such as the ones made in the current report that "ESCAP's relative value addedis not apparent" or that ESCAP "efforts have (not) translated into material effects." Aside from OIOS's identification of ESCAP's "regional value-added" in the transport and trade sectors, additional examples can be provided in such areas as: (1) disability, where a regional framework on norms and standards for a rights-based approach on disability was developed and negotiated under ESCAP auspices by regional member States (the regional product catalyzed a global process culminating in the adoption by the General Assembly of the Convention on the Rights of Persons with Disabilities on 13 December 2006); (2) regional cooperation in the establishment of a Trans-Asian Energy System; and (3) regional cooperation in disaster management, in particular on regional tsunami early warning arrangements.

Page 22:

- **Para 35** – ESCAP stated that there is no overlap of information gathering between e-TC and READ as the information collected by each application is through totally distinct processes. Furthermore, at the time of design of READ, the reference tables (such as theme, subprogramme, country, etc) were taken directly from an e-TC's reference table so as to ensure consistency in reporting. Although ESCAP has no direct access to modify or link with IMDIS, suggestions on improving results-based reporting were made to DESA and OIOS in 2004. Specific suggestions on linking reporting functions of other applications to IMDIS were made to OIOS in June 2004, through ESCAP's response to the "Capacity-building in results-based management" survey.
- **Para 36** – ESCAP pointed out that the draft Monitoring and Evaluation Framework provided to OIOS, now had detailed evaluation fact sheets, along with the monitoring fact sheets. These evaluation guidelines will be formally issued in July 2007 as part of ESCAP's overall Monitoring and Evaluation System.

Page 23:

- **Para 39** – ESCAP pointed out that the purpose of the pooling exercise is to monitor and manage the utilization of the regular budget resources in accordance with the purposes for which those resources were approved, taking into account the principles of efficiency and effectiveness. The exercise, which is undertaken in conjunction with the 12 and 18 month IMDIS programme monitoring milestones, enables ESCAP to manage the allotments more effectively against the schedule of programmed activities that have been planned for delivery during a biennium. It also enables ESCAP to ensure that any savings identified through the exercise are reallocated to outputs that are mandated or are in accord with the priorities set by member States.
