

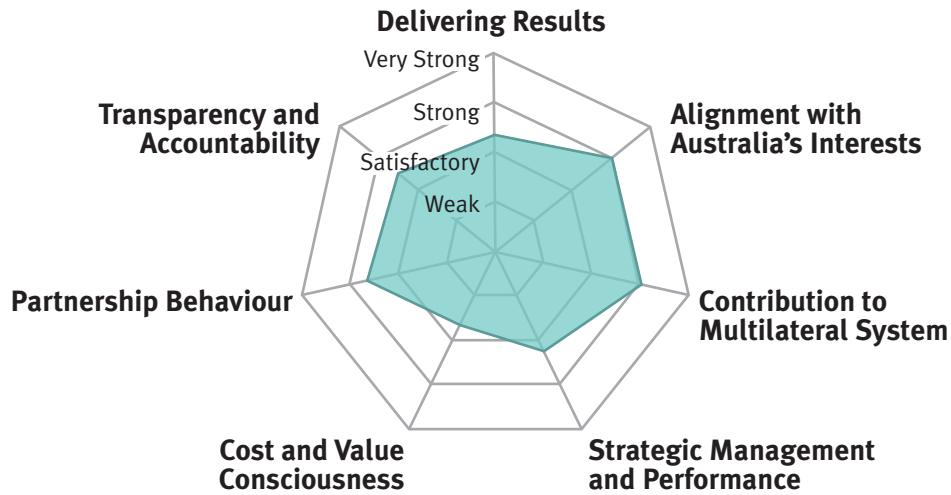


Australian Multilateral Assessment March 2012

United Nations Development Programme (UNDP)



OVERVIEW OF ORGANISATION RATINGS



ORGANISATION OVERVIEW

The United Nations Development Programme (UNDP) is a central and major player in the development work of the United Nations system. As a global organisation, UNDP received about US\$5.3 billion in 2010 (close to US\$1 billion in core, un-earmarked, funding and US\$4.3 billion in non-core, earmarked, contributions) which it spends mainly on programs, activities and technical assistance, delivered through 129 country offices covering 177 countries and territories.

As outlined in its strategic plan 2008–13, UNDP’s mandate focuses on four key pillars:

- > poverty reduction and achieving the Millennium Development Goals (MDGs)
- > democratic governance
- > crisis prevention and recovery, and
- > environment and sustainable development.

Crosscutting issues such as gender equality and women’s empowerment and capacity building are addressed in the context of the four key pillars.

UNDP has a major role in enhancing the UN system’s collective development impact by coordinating and driving more effective cooperation between UN development agencies. The UNDP Administrator chairs the United Nations Development Group (UNDG), which seeks to improve the coherence, effectiveness and efficiency of the UN’s development efforts.

UNDP funds and manages the UN’s resident coordinators responsible for leading the UN’s efforts in more than 130 countries. UNDP also administers many multi-donor and special purpose trust funds.

UNDP is governed by an executive board of 36 member states of the United Nations, most of whom serve on a rotational three-year basis (Western European and Others Group operates its own system of representation on the Board). Board meetings are held three times a year. The Administrator, Helen Clark, is an Under Secretary-General (USG) reporting to the UNDP executive board.

In December 2008, Australia signed a partnership framework with UNDP. The framework sets out shared objectives and outlines Australia’s core funding commitment to UNDP totalling \$68.3 million, increasing from \$12.5 million in 2008 to \$23.3 million in 2011. The shared objectives are:

- > to work together to assist developing countries to achieve the MDGs
- > to ensure effective delivery of aid programs at country-level (in line with the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action)
- > to actively support the reform of the UN development system and within UNDP, and
- > to build public awareness of the outcomes of the partnership.

In 2010–11 Australia provided \$98.9 million to UNDP, including \$18.3 million in voluntary core contributions and \$80.7 million in non-core funding.

RESULTS AND RELEVANCE

1. Delivering results on poverty and sustainable development in line with mandate

SATISFACTORY

Overall, UNDP has a satisfactory record of delivering results with a key strength being UNDP’s strong focus on poverty reduction in low income countries. However, performance remains variable across countries and themes, in part due to its broad mandate and differing human resources expertise in-country. Further strengthening of its results framework, a key focus of the UNDP Administrator’s reform program, will provide a sound basis for improved collection and communication of results in future.

UNDP can point to an array of program-level successes, such as supporting democratic elections in a range of countries, including fragile states. Nevertheless evidence from Australian Multilateral Assessment field visits to Bangladesh and Indonesia, as well as country-level feedback, indicates that in some countries results fall substantially short of

reasonable expectations. In Indonesia, for example, most stakeholders saw UNDP as spreading its resources too thinly across a large number of small or pilot interventions.

UNDP has used a results-based management system since the 1990s. This was strengthened recently after independent reviews in 2008 and 2009 found weaknesses in both the system and its application. UNDP is also developing a new results framework under its strategic plan 2014–17, but it is too early to judge how effective these changes will be in improving the allocation of program funds and facilitating better reporting on aggregate results.

UNDP focuses on the poorest through its own programs and its analytical work. Many of its knowledge products, such as its *Human Development Index* and its *Poverty and Social Impact Analysis* provide all development stakeholders with tools to target those most in need.

UNDP plays a lead role within the UN to help countries identify constraints to meeting the MDGs and to mobilise increased attention to the areas they targeted.

a) Demonstrates development or humanitarian results consistent with mandate	SATISFACTORY
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Overall, UNDP’s record on demonstrating results is satisfactory but rather uneven. It has potential to improve under the Administrator’s reform program which aims to deliver a more relevant, efficient and effective organisation.

UNDP reports annually to its executive board on progress against its strategic plan. This covers broad achievements at country-level and progress on institutional objectives.

UNDP’s current reporting (both to the board and more generally) identifies a range of development and humanitarian results consistent with mandate. The reports also usually highlight contributions to broader development outcomes.

At country-level and for thematic programs, delivery of results is also reported through the assessment of development results and other evaluations. A challenge for future strategic plans will be to strengthen UNDP’s identification of development outputs and outcomes.

The available evidence suggests that delivery of results on the ground varies significantly across countries and thematic areas. In the Pacific, UNDP has made important contributions to meet development challenges, with good progress on mainstreaming and internalising MDGs in planning and budgets, and substantial progress in partner government recognition of poverty as a pressing development issue (through policy and analytical research). However, feedback from Australian overseas missions in the Pacific suggests that UNDP’s activities vary widely in terms of development effectiveness, across countries, by area of focus, by level of national preparedness, by size, and by degree of partnership with stakeholders. In Bangladesh, results are falling short of Australia’s expectations. In Indonesia, most stakeholders saw UNDP as spreading its resources too thinly across a large number of small or pilot interventions.

The 2009 Multilateral Organization Performance Assessment Network (MOPAN) assessment found that views on UNDP’s results varied, with direct partners (that is,

developing country governments) rating them strongly, but donors expressed concern about UNDP's capacity to ensure the application of results-based management and linkages between its strategy and organisational mandate. Donors also expressed reservations about UNDP's institutional culture for supporting a focus on results. In recognition of these issues, a key part of the Administrator's reform program will involve strengthening UNDP's results framework.

b) Plays critical role in improving aid effectiveness through results monitoring

SATISFACTORY

UNDP's role in improving aid effectiveness through results monitoring has been strengthened in recent times but there is scope for further improvement.

UNDP has used a results-based management system since the 1990s. This system was strengthened recently after independent reviews in 2008 and 2009 found weaknesses in the system and its application. UNDP is in the process of developing a more robust results framework, yet it is too early to determine the extent to which current weaknesses will be overcome.

UNDP recognises the need to improve its efforts in this area. Under the Administrator's reform program significant work will go into strengthening results frameworks and reporting. This work is already underway with UNDP currently developing a new results framework as part of its new strategic plan 2014–17.

c) Where relevant, targets the poorest people and in areas where progress against the MDGs is lagging

STRONG

UNDP's programs have a very strong focus on poverty reduction in low income countries, taking into account human development indicators. Many of UNDP's knowledge products, such as its *Human Development Index* and its *Poverty and Social Impact Analysis* provide development stakeholders with tools to target those most in need.

UNDP also plays a lead role within the United Nations to assist countries to identify constraints to meeting the MDGs and to mobilise increased attention to these areas, for example through the MDG acceleration framework.

UNDP's Administrator is a strong advocate for the MDGs, encouraging UN agencies (and others) to remain focused on them.

UNDP's work on crisis prevention and recovery, including disaster risk reduction, is highly relevant to its performance on this criterion. Steps were taken recently to transform UNDP's Bureau of Crisis Prevention and Recovery, which is the bureau that consolidates UNDP's crisis prevention and recovery knowledge and experience, to enable it to respond better and more strategically to demands for its services. Early signs on the impact of these changes are promising.

2. Alignment with Australia’s aid priorities and national interests	STRONG
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UNDP’s policies and programs align well with all five of the strategic goals of the Australian aid program. UNDP’s global reach is an asset in countries where it is not feasible or practical for Australia to operate. UNDP’s key role within the UN system also supports Australia’s broader interests in a strong and effective UN.

UNDP has been responsive to issues and concerns raised by Australia at headquarters level, and feedback from Australian overseas missions is generally positive about its responsiveness at country-level.

UNDP has a leadership role in ensuring crosscutting issues are addressed in its own policies and programs, as well as promoting integration across the UN development system.

It has clear policies on crosscutting issues and UNDP applies them well in its programs. A sound gender policy is credibly applied and there is a strong record on environmentally sustainable development (notably through its work with the Global Environment Facility). UNDP continues to play a leading role in ensuring a disability inclusive approach to development.

UNDP is an international leader—and a strong partner for Australia—in crisis prevention and recovery. However, its performance in fragile states is uneven. Feedback from Australian overseas missions, including in Pacific Island countries, suggests UNDP does not always effectively adjust its programs to the challenges of fragile states. Steps were recently taken to improve the effectiveness of UNDP’s Bureau of Crisis Prevention and Recovery, which consolidates UNDP’s knowledge and experience in this area, and early signs of these changes are encouraging.

a) Allocates resources and delivers results in support of, and responsive to, Australia’s development objectives	STRONG
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Globally, UNDP’s policy and program focus on poverty reduction and the MDGs, democratic governance, crisis prevention and recovery, environmentally sustainable development, empowering women, and capacity building is closely attuned to Australia’s global development objectives.

UNDP’s key role within the United Nations system supports Australia’s broader interests in a strong and effective UN. UNDP’s central role in promoting broader UN reform, particularly in improving coordination among UN development agencies, is strongly supported by Australia.

UNDP’s programs have a broad geographic and thematic scope. This helps Australia to promote development in countries or with specific types programs that cannot feasibly or practically be delivered through bilateral programs.

UNDP has been responsive to issues and concerns raised by Australia at headquarters level, including on such issues as helping to build awareness of the impact of the AusAID–UNDP partnership framework. UNDP has contributed helpfully to the G20 Development Working Group’s work on social protection.

b) Effectively targets development concerns and promotes issues consistent with Australian priorities	VERY STRONG
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UNDP’s policies and programs align very well with all five of the strategic goals of the Australian aid program.

The best evidence of alignment with Australia’s aid priorities is the AusAID-UNDP partnership framework. This identifies four shared objectives:

- > to work together to assist developing countries to achieve the MDGs
- > to ensure effective delivery of aid programs at country-level (in line with the Paris principles and the Accra agenda)
- > to actively support the reform of the UN development system and within UNDP, and
- > to build public awareness of the outcomes of the partnership.

Australia also has a partnership with UNDP’s Bureau of Crisis Prevention and Recovery which is an important component of the Australian Government’s engagement on peacebuilding and recovery efforts within the UN system.

c) Focuses on crosscutting issues, particularly gender, environment and people with disabilities	STRONG
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UNDP has a leadership role in ensuring crosscutting issues are addressed in its own policies and programs, as well as to promote their integration across the UN development system.

UNDP’s performance on gender issues is credible, with evident progress over the last five years to promote and integrate gender equality and women’s empowerment. The United Kingdom’s Department for International Development’s (DFID) gender benchmarking exercise (2010) noted strong leadership and incentive mechanisms, with successful delivery depending on UNDP’s ability to build capacity across the organisation, although gender disaggregation of data required further support and attention. UNDP’s focus on gender equality at country-level was rated highly in the 2009 MOPAN report.

UNDP’s record on promoting environmentally sustainable development is considerable, based, inter alia, on its long-standing work on disaster risk reduction and its role in the Global Environment Facility. Some 40 per cent of its resources are implemented through UNDP.

Both gender and environment are increasingly significant in the investment decisions of developing countries, in part as the result of work by UNDP (and others such as the World Bank). For example, UNDP recently issued guidelines on the climate proofing of infrastructure.

UNDP has developed new guidelines on disability (which complement the UN country team guidelines). It will host a new multi-donor trust fund to support persons with disabilities.

At country-level, UNDP has supported useful work on disability-inclusive development. In Cambodia, for example, UNDP funded an excellent study on the political participation of women with disabilities, although implementation of its recommendations has been constrained by lack of resources.

UNDP supports countries to mainstream and integrate anti-corruption into national development processes in an inclusive and participatory manner, with particular regard to issues affecting women and girls and other marginalised groups. UNDP is working to combat corruption in sectoral areas to accelerate the achievement of the MDGs.

As part of this focus, UNDP has developed and launched tools and methodologies to combat corruption in the education, water and health sectors. It is also working to improve anti-corruption programming at the national and sub national-levels so that the access and quality of services in education, water and health sectors is increased.

d) Performs effectively in fragile states	SATISFACTORY
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UNDP’s performance in fragile states is uneven. Crisis prevention and recovery work being undertaken by its Bureau of Crisis Prevention and Recovery is highly relevant and, on the whole, of reasonable quality. UNDP has developed and applies specific policies and procedures for operating in fragile contexts. However, feedback from Australian overseas missions, including in Pacific Island countries, suggests UNDP does not always effectively adjust its programs to the particular challenges of fragile states. As mentioned previously, UNDP has recently transformed the Bureau of Crisis Prevention and Recovery to better target its services to country needs.

Australia’s 2009 *Political Governance Review* raised concerns about the relevance, effectiveness and value for money of some of UNDP’s democratic governance work in fragile contexts in the Pacific.

3. Contribution to the wider multilateral development system	STRONG
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UNDP plays a useful role in promoting UN coordination at country-level. It hosts and coordinates many Multi-Donor Trust Funds, and manages the UN Resident Coordinator system. In some countries it provides technical assistance to the aid coordination authority.

UNDP has a fair delivery record on its normative functions and has contributed greatly to development knowledge. Its annual human development report (and index) is an important knowledge and policy tool used by a wide range of development agencies and practitioners across the world. Some of the specialist expertise it provides has made a positive difference to development outcomes.

UNDP has a record of working in cutting-edge areas or tackling difficult policy or program issues. Examples include its work on crisis prevention and recovery; on democratic governance; and in challenging countries such as North Korea.

a) Plays a critical role at global or national-level in coordinating development or humanitarian efforts	STRONG
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UNDP is at the heart of United Nations development coordination. The UNDP Administrator chairs the UN Development Group. UNDP provides UN resident coordinators in 130 countries and chairs aid round tables for some least developed countries. It also manages a number of multi-donor trust funds on behalf of the UN system. In some countries it provides technical assistance to the aid coordination authority.

At headquarters level, the UNDP Administrator is committed to driving greater coordination in the UN development system. UNDP has helped to drive a range of institutional reforms which are gradually improving operations and attitudes of UN agencies towards UN-wide coordination. Its management of the resident coordinator system plays a central role in supporting the Delivering as One initiative, which improves the efficiency and effectiveness of the United Nations system by improving coordination of UN agencies in-country.

There is mixed evidence of the success of UNDP and the broader UN system in implementing these reforms and changing behaviour at country-level. The 2009 MOPAN report noted that ‘donors at country-level view this as an area where the UNDP could do better, whereas for partners, harmonisation is an area of strength.’

Through these roles there may be scope for UNDP to exert greater leadership on coordination in some countries. Delivering as One has shown substantial improvements in the design of UN Development Assistance Frameworks (UNDAF). But there is less evidence that these frameworks are driving better prioritisation, more strategic engagement with stakeholders and higher levels of joint programming and delivery. One Australian overseas mission stated: ‘The reality is the UN community has a long way to go achieving a real one-UN approach ... UNDP has a significant role to play which it has not lived up to’.

b) Plays a leading role in developing norms and standards or in providing large-scale finance or specialist expertise	STRONG
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UNDP’s Bureau of Crisis Prevention and Recovery is playing an important role in becoming practice leaders in crisis prevention and recovery within the United Nations.

UNDP plays a leading role in setting norms and standards for the United Nations development efforts. UNDP is also a significant global provider of specialist expertise for capacity building. Some of this assistance has made a positive difference to development outcomes, but UNDP reporting on results requires continued strengthening and improvement to enable an accurate assessment of the overall impact of UNDP’s work.

UNDP has a record of working in cutting-edge areas or tackling difficult policy or program issues. Examples include its work on crisis prevention and recovery; on democratic governance; and work in challenging countries such as North Korea.

c) Fills a policy or knowledge gap or develops innovative approaches	STRONG
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UNDP is a source of considerable knowledge and expertise on international development. It has made some very significant contributions to global development policy and knowledge, including through the conceptual, policy and measurement work it does on the MDGs.

UNDP's annual *Human Development Report* (and index) is an important knowledge and policy tool used by a wide range of development agencies and practitioners across the world.

A recent initiative designed to improve design and delivery of UNDP's programs is the introduction of 'Teamworks', a knowledge management tool to facilitate the sharing of experiences and lessons learned. It is too early to judge the success of this initiative, but it looks promising.

UNDP's work on south-south cooperation, environment and climate change (to name just a few) are further areas where UNDP fills knowledge gaps or develops innovative approaches.

ORGANISATIONAL BEHAVIOUR	
4. Strategic management and performance	SATISFACTORY

Overall, UNDP's policy and planning framework is sound. Its current strategic plan is clear and generally informs decision making. By and large the plan is reflected well in UNDP's annual budget allocations and program management decisions.

UNDP is governed reasonably effectively. Its executive board provides oversight over its programs, budgets, audits, new policies and corporate issues. However, the board's ability to provide strategic direction is weakened at times by the need to compromise to bridge political divisions between developing countries and traditional donors to reach consensus.

UNDP's system for ongoing monitoring needs strengthening to provide managers with more timely information on program and project progress and quality. Feedback from Australian overseas missions suggests UNDP's response in realigning or amending programs that are not delivering results can be slow and that progress reporting is often less than timely.

UNDP's Administrator is pursuing an ambitious program of reforms to improve its performance and credibility, including measures to strengthen the selection of resident coordinators and other staff, and to provide better incentives for staff to focus on delivering strategic results. Some aspects of UNDP's human resource management need improving.

a) Has clear mandate, strategy and plans effectively implemented	STRONG
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UNDP overall policy and planning framework is sound.

Its current strategic plan is clear, providing strong direction to the organisation. By and large the plan is reflected well in annual budget allocations and program management decisions.

The UN Development Assistance Frameworks for each country and UNDP's rolling country programs are basically sound (although labour intensive). Inevitably there is variation in the quality of these frameworks and programs, and in their implementation. Ensuring that these frameworks drive programming decisions is a key issue that needs to be addressed in some countries, where a considerable portion of UNDP's work is undertaken outside the United Nations framework.

b) Governing body is effective in guiding management	SATISFACTORY
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UNDP's executive board is a good mechanism to ensure accountability in UNDP's programs, budgets, audit, new policy and corporate issues. However, the board's ability to provide strategic direction is weakened at times by the need to find compromise positions to reach consensus between developing countries and traditional donors.

At times, the executive board gives insufficient attention to providing strategic direction to the Administrator and strays into issues that sit more logically as management responsibilities.

By and large, UNDP management is responsive to executive board guidance and decisions. The administrator has worked to foster a constructive relationship with the board and the board is supportive of her comprehensive reform program.

c) Has a sound framework for monitoring and evaluation, and acts promptly to realign or amend programs not delivering results	SATISFACTORY
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UNDP's system for on-going monitoring needs strengthening to provide managers with more timely information on program and project progress and quality. This will enable a more flexible and responsive approach to delivery, including realignment of project and program design and priorities as necessary, and to support greater learning from experience.

Feedback from Australian overseas missions confirmed that UNDP's response in realigning or amending programs that were not delivering results was slow and that progress reporting was often less than timely.

UNDP's evaluation policy is clear, cogent and comprehensive. It has a strong tool in the annual development reports and a good record on evaluation work.

d) Leadership is effective and human resources are well managed	SATISFACTORY
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UNDP's Administrator is pursuing an ambitious program of reforms to improve UNDP's performance and credibility. Reforms include measures to strengthen the selection of resident coordinators and other staff, and to provide better incentives for staff to focus on delivering strategic results.

UNDP has demonstrated improvement in promoting and supporting good leaders, but human resource management still needs improving. Feedback from Australian overseas missions suggests that staffing quality is a significant barrier to UNDP's effectiveness in some countries. This issue will be addressed through reforms to strengthen the selection of resident coordinators and other staff, and to provide better incentives for staff to focus on delivering strategic results.

5. Cost and value consciousness	SATISFACTORY
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UNDP's record on cost and value consciousness is not strong, but improvements are underway. The executive board and UNDP management consider value for money in strategic planning but these efforts are limited by the lack of timely and appropriate results data. Donors and others have consistently expressed concerns about UNDP's need to strengthen its cost consciousness and minimise the level of overhead charges imposed on contributions to its trust funds.

UNDP is clearly responding to board member calls for greater efficiencies in its operations. For example, it significantly reduced its administrative costs in its most recent budget, with a US\$92 million reduction in management costs in 2010–11.

The 2009 MOPAN report found that UNDP was using performance information to guide programming decisions. UNDP's improved results-based management system and its overall transparency will help to improve value for money and cost effectiveness.

The Australian Multilateral Assessment found only limited evidence of UNDP challenging partners on value for money issues.

a) Governing body and management regularly scrutinise costs and assess value for money	SATISFACTORY
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The executive board and UNDP management closely scrutinise costs and budgets on a regular basis, but their capacity to assess value for money is limited by the lack of timely and appropriate results data.

Work is underway to develop an integrated budget from 2014 for UNDP, the UN Population Fund (UNFPA) and UN Children's Fund (UNICEF) which will assist in promoting increased financial efficiency and effectiveness.

UNDP is also currently implementing the international public sector accounting standards. This will provide a more accurate and transparent picture of the financial resources of the organisation, allowing for a higher degree of scrutiny and assessment of value for money by the executive board and senior UNDP management in future.

In addition, UNDP is clearly responding to board member calls for greater efficiencies in its operations. For example, UNDP has significantly reduced its administrative costs in its most recent budget, with a US\$92 million reduction in management costs over the period 2010–11.

b) Rates of return and cost effectiveness are important factors in decision making	SATISFACTORY
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UNDP is working actively to improve its efficiency and value for money. The administrator’s business action plan aims to improve results-based management and to demonstrate, through more transparent budgets and expenditure, where value for money is being achieved.

UNDP’s improved results-based management system and its overall transparency will help to improve value for money and cost effectiveness.

The 2009 MOPAN report found that UNDP was using performance information to guide programming decisions.

Nevertheless, donors have consistently expressed concerns about the need for UNDP to strengthen its cost consciousness and minimise the level of overhead charges imposed on contributions to UNDP trust funds.

c) Challenges and supports partners to think about value for money	WEAK
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UNDP does work with partner countries on public financial management and public administration reform projects, but the Australian Multilateral Assessment found limited evidence of UNDP challenging partners on value for money issues.

6. Partnership behaviour	STRONG
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UNDP has a wide array of partnerships across the UN system, with member states, donors and civil society. However, feedback from Australian Multilateral Assessment field visits and Australian overseas missions suggest the quality and effectiveness of partnerships varies.

UNDP is uniquely placed to support partner governments. Partner governments are generally positive about UNDP’s policy advice and support.

Overall, UNDP has a good record on harmonisation and alignment and stakeholders generally view its approach as appropriate. Under its national execution method of delivering assistance, UNDP was one of the first organisations to use partner country budget systems.

UNDP’s performance on providing a voice for partners and others is strong. Its executive board representation favours developing countries (2:1 ratio with donor members) and decision making (for example, on country programs) is by consensus.

A civil society advisory committee also promotes dialogue between senior UNDP management and civil society representatives.

a) Works effectively in partnership with others	SATISFACTORY
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UNDP has a privileged relationship with partner governments due to its neutrality which provides UNDP with a mandate and legitimacy to operate in environments where other development actors do not have a presence or cannot undertake activities. Partner governments are generally positive about UNDP's provision of policy advice and support.

The views of other stakeholders are more mixed, including feedback from Australian overseas missions regarding UNDP's relationships with donors. Some concerns expressed include the need to improve in-country UN leadership on donor coordination, particularly where reprioritisation and repositioning of donors was required. It is noted that successful coordination is also dependent on the level of donor engagement in coordination mechanisms.

UNDP works with the private sector on developing inclusive markets at country-level. It manages the business call to action initiative. UNDP uses its partnership with private sector foundations to combine experience, knowledge and resources to strengthen countries' involvement with the private sector.

Evidence of the effectiveness of UNDP's engagement with civil society is mixed. While some civil society organisations were positive about their relationship with UNDP, during Australian Multilateral Assessment field visits several civil society representatives highlighted difficulties, including that the close engagement between UNDP and country governments limited access to UNDP representatives.

b) Places value on alignment with partner countries' priorities and systems	STRONG
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Overall, UNDP has a good record on harmonisation and alignment. UNDP's country programs usually align strongly with partner country priorities, although the thematic funding approach can sometimes weaken the extent of alignment.

UNDP's willingness to organise and administer multi-donor trust funds in support of particular partner country priorities provides evidence of the value it places on harmonisation and alignment.

UNDP has also been working closely with the World Bank and Peacebuilding Commission and Peacebuilding Support Office on harmonised approaches in specific situations such as fragile/conflict-affected states and is piloting an approach on capacity development for disaster risk reduction and post-conflict settings.

Under its national execution mode of delivering assistance, UNDP was one of the first organisations to use partner country budget systems. However, some national partners see opportunities for UNDP to make greater use of country systems for budgeting, financial reporting, auditing and procurement. UNDP's use of project implementation units that operate in parallel to government is a concern for many stakeholders. It should be noted that the use of country systems by UNDP may not always be feasible

or appropriate and UNDP plays an important role in managing donor funds on behalf of the government in some fragile and conflict-affected states.

The 2009 MOPAN report found that UNDP's performance on using country systems was inadequate, but adequate in supporting national plans and harmonisation, and good on contributing to policy dialogue. However, the study also found that UNDP consistently scored well on partner country perceptions of its performance.

c) Provides voice for partners and other stakeholders in decision making	STRONG
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UNDP's performance on providing voice for partners and others is strong. Executive board representation favours developing countries (2:1 ratio with donor members) and board decision making (for example, on country programs) is by consensus. Board members can also seek bilateral meetings, as required, with UNDP management.

While civil society representation at board meetings is by invitation only, civil society can provide any concerns to UNDP in writing. A civil society advisory committee also promotes dialogue between senior UNDP management and civil society representatives.

UNDP has instituted a number of processes to seek input from, to consult with, or to manage complaints from, stakeholders regarding its policies and operations and in the design and implementation of projects or programs.

UNDP employs participatory approaches to program design and implementation and engages in open consultation with partners. UNDP's voice and accountability for human development strategy includes direct work with civil society organisations as well as promoting an enabling environment in which civil society organisations can operate.

7. Transparency and accountability	STRONG
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UNDP posts a wide range of documents on its website, including evaluation reports and management responses, and systematically applies its clear disclosure policy. It is a founding member of the International Aid Transparency Initiative and has committed to full adoption of the common aid transparency standard by 2013.

UNDP's budget allocations reflect published criteria, although not always convincingly at country-level. According to the 2010 MOPAN report this was rated adequate by donors at headquarters and national partners, but inadequate by donors at country-level. The greatest divergence of views was on the extent to which UNDP makes publicly available its criteria for allocating core budget resources.

Overall financial management and other accountability systems are in place and are generally effective. UNDP's audit practices have received praise, but its financial management, particularly at country-level, needs strengthening. To address this, UNDP recently introduced enhancements to its audit database system which are aimed at making it easier for country offices to provide updates, facilitating independent assessments. The Administrator's reform program highlights the need for continued strengthening of accountability at all levels of the organisation.

There is limited evidence that UNDP does anything more than periodically raise transparency issues with partners.

a) Routinely publishes comprehensive operational information, subject to justifiable confidentiality

STRONG

UNDP is a founding member of the International Aid Transparency Initiative (IATI) and has committed to full adoption of the common aid transparency standard by 2013.

UNDP posts a wide range of documents, including: executive board meeting papers; country program documents; United Nations Development Assistance Frameworks; annual development reports; and all evaluation reports and management responses on its website (which is easy to navigate).

Detailed financial and operational data on projects is not readily available, which can be an issue for some donors and other partners at country-level. Under its IATI commitment, however, UNDP will work to ensure that financial data and project information is published in a user-friendly, easily accessible and understandable manner.

UNDP's information disclosure policy covers access to information, procurement issues and internal audits. This document sets out UNDP's commitment to making information about programs and operations available to the public. It specifies exceptional information which will not be disclosed. These exclusions are justifiable and clearly explained. The policy defines levels of transparency and procedures for access to information where it is not available on UNDP's website. There is a provision for disclosure of internal audit reports. UNDP has recently strengthened access to its internal audit reports and has committed to full disclosure by end of 2012.

For multi-donor trust funds, UNDP recently launched a portal which sets out more in-depth information on each joint programme, including its funding status.

b) Is transparent in resource allocation, budget management and operational planning

SATISFACTORY

Views differ on the extent to which UNDP allocates its budget according to published criteria. According to the 2009 MOPAN report, this was rated adequate by donors at headquarters and national partners and inadequate by donors at country-level. The greatest divergence of view was on the extent to which the UNDP makes publicly available its criteria for allocating core budget resources.

UNDP uses standard UN procedures for operational planning, procurement and disbursement.

c) Adheres to high standards of financial management, audit, risk management and fraud prevention

STRONG

The UNDP Administrator has provided clear signals of her intention to increase the organisation's transparency to strengthen accountability and trust, and to build a more efficient organisation.

Overall financial management and other accountability systems are in place and are generally effective.

According to the 2009 MOPAN report, UNDP's performance on financial accountability presents a mixed picture. It was rated as strong on audit practices, but only adequate on timely management of irregularities identified at country-level. To address this, UNDP recently introduced enhancements to its audit database system which are aimed at making it easier for country offices to provide updates, facilitating independent assessments. The administrator's reform program highlights the need for continued strengthening of accountability at all levels of the organisation.

UNDP is moving to make internal audit reports publicly available by end of 2012.

Annual certified financial statements for all trust funds and programs as of 31 December in any given year are submitted to donors no later than 30 June of the following year.

d) Promotes transparency and accountability in partners and recipients	SATISFACTORY
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The Australian Multilateral Assessment found limited evidence of UNDP raising transparency issues with partners.

UNDP now has agreement to pilot direct and sector budget support approaches which will help ensure aid is placed on national budgets, but the extent to which all projects are 'on budget' is not clear. In part, UNDP's ability to place aid on budget is limited by the unpredictability of what it will receive in voluntary contributions from donors.