Management Commentaries
on the
2024 Annual Report on Evaluation

UNDP Management Commentaries on the 2024 Annual Report on Evaluation

A. INTRODUCTION

1. UNDP welcomes the **2024 Annual Report on Evaluation (ARE)**, submitted by the **Independent Evaluation Office (IEO)** to the Executive Board. This management commentary presents UNDP's perspective on the organization's achievements on evaluations and highlights key actions taken to enhance performance. More importantly, drawing on insights from the report, it helps UNDP define strategic priorities to further strengthen its evaluation function in **2025 and beyond**.

2. To complement the work of the IEO and recognizing **evaluations as a vital tool** for independently assessing development impact on systems, institutions, and people's lives, UNDP has progressively improved the **planning, management, and use** of evaluations across its work and over the years.

B. EVALUATION ARCHITECTURE AND CAPACITIES

3. **Evaluation Policy Revision:** UNDP management welcomes the findings and recommendations of the independent evaluation policy review conducted by IEO in 2024. The review presents an opportunity for UNDP and IEO to enhance the credibility and impact of evaluations, fostering evidence-based decision-making.

4. **Key Findings and Recommendations of the Policy Review:** While the independent review confirms in overall **solidity of the current policy**, it has highlighted several areas, such as **expansion of current evaluation criteria for greater coherence with the overall UNDP programming standards**, **addition of a theory of change**, **guidance on impact evaluations**, and **more focus on thematic and strategic evaluation** as areas of improvement. UNDP management will work with the IEO on further improvement of the policy especially areas highlighted by the independent review in addition to the ongoing revamp of the Result Based Management (RBM) and programming policies, procedures, and guidelines.

5. **Regional Presence of IEO:** UNDP is pleased to see the appointment and deployment of IEO regional evaluation advisors in **Bangkok**, **Istanbul**, and **Addis Ababa** regional hubs. Presence of the regional evaluation advisors at the regional hubs supports those bureaus and country offices in better evaluation planning, management, and use, besides strengthening the ongoing efforts of the bureaus in the development and roll-out of higher quality country programmes.

6. **Promoting Evaluation Culture:** UNDP is pleased to see IEO's leadership in advancing evaluation best practices and knowledge sharing both internally within the UN system through the UN Evaluation Group, and externally, through the National Evaluation Capacities (NEC) Conference, and the Global Evaluation Initiative. This helps position UNDP as a knowledge-based organization promoting global public good in the area of evaluation.

7. **System Upgrade:** UNDP management appreciates IEO's efforts in revamping and upgrading of the Evaluation Resource Center (ERC) as well as the introduction of Artificial Intelligence for Development Analytics (AIDA) as two very rich sources of information on evaluation for the organization. UNDP country offices and regional bureaus are and will continue to be the key users of those platforms.

C. LESSONS LEARNED FROM INDEPENDENT EVALUATIONS

8. UNDP values findings reflected in the Annual Report on Evaluation 2024, synthesizing lessons from the thematic evaluations, Independent Country Programme Evaluations (ICPEs), and the reflection series produced by IEO during the year.

9. Lessons learned from the independent evaluations carried out by IEO in 2024 will be used in **strengthening programmes and projects, improving accountability, and ensuring continuous learning across the organization**. Bellow is a summary of key lessons learned from the three independent thematic evaluations completed in 2024, highlighting how the finding and recommendations guide UNDP programmes and projects.

10. **Digital Transformation can benefit 70 percent (119 out of 169) of the SDG targets besides helping governments in better allocation of resources and delivery of public services:** As highlighted by the independent Evaluation of UNDP support to the digitalization of public services, digital technology has the potential to directly benefit 119 of the 169 targets, including critical areas such as climate action, education, hunger and poverty. At the same time, 2.6 billion people – more than one third of the world's population – still lack access to the Internet, 96 per cent of them in developing countries. Moreover, while digital transformation opens innovative avenues to achieve the 2030 Agenda for Sustainable Development, it raises new concerns around privacy and protection, and can widen existing divides and discrimination, affecting marginalized groups and individuals the most.

11. Building on the successes and lessons learned from the earlier phase of UNDP digital strategy (2019 to 2021) as well as guided by the findings and recommendations of the independent evaluation of UNDP support to the digitalization of public services, the current digital strategy focuses on maintaining and accelerating momentum, placing greater emphasis on the need for a rights-based and intentionally inclusive approach to UNDP's digital transformation work. In addition, the strategy outlines a two-pronged approach, to both embedding digital transformation work across the UNDP thematic areas of work and supporting countries with cross-cutting initiatives to build inclusive digital ecosystems in support of national digital transformation.

12. **Fostering public-private dialogue is crucial for global collaboration to advance the 2030 Agenda for Sustainable Development:** UNDP has long recognized the role of enhancing private sector capacities for economic growth and poverty reduction worldwide, especially when interventions are tailored to promote the adoption of the Sustainable Development Goals as the main framework for companies' strategies and operations. Over the past two decades, UNDP has focused on bolstering the capacity to align investments for the achievement of the Sustainable Development Goals and to collaborate effectively with governments and the private sector for structural transformation. This commitment is evidenced by the launch of two private sector engagement strategies (2018-2022 and 2023-2025), the approval of the food and agricultural commodity systems (FACS), the private sector engagement strategy and the establishment of both the Istanbul International Centre for Private Sector in Development (IICPSD) in 2011 and the Sustainable Finance Hub (SFH) in 2019.

13. Building on the findings and recommendations of the Evaluation of UNDP support to private sector development and structural transformation, UNDP will engage corporations, entrepreneurs and industry leaders to leverage their expertise and resources to help 100 million people escape multidimensional poverty, to support

500 million people to gain access to clean energy, and to promote over $1 trillion in public expenditure and private capital investment in the Sustainable Development Goals.

14. **Integrated development frameworks bolster climate resilience: As it was recognized by multiple independent country programme evaluations,** UNDP continues to respond to country needs to mainstream adaptation into development strategies and plans, aligned with the broader Sustainable Development Goals agenda. In line with the current Strategic Plan's ambition, UNDP advances country capacities through a whole of-society approach to climate change adaptation and supports climate change in the context of resilient livelihoods, agriculture and food security, water resources, coastal zone management, ecosystems protection, resilient infrastructure, and climate information/early warnings and aims to advance integrated, cross-sectoral solutions across these priority themes.

15. Building on the findings of those independent evaluations, UNDP country offices will continue prioritizing the country specific needs into its work on **climate resilience** based on the country specific development context beside mainstreaming climate agenda into its programmes and projects.

16. **UNDP's Nature Pledge has upscaled UNDP's work on biodiversity:** As it was recognized by the independent evaluation of UNDP support to ecosystems management and biodiversity conservation, the Nature Pledge expanded UNDP's support to over 140 countries, focusing on three systemic shifts of value, economic and finance, and policy and practice required for countries to achieve the Global Biodiversity Framework and other Global Goals. Nature Pledge initiatives are designed to protect and restore the planet, eradicate poverty, reduce gender and other inequalities, and protect human rights.

17. Building of the gains of the Nature Pledge and guided by the findings and recommendations of the independent evaluation of UNDP support to ecosystems management and biodiversity conservation, UNDP regional bureaus and country offices will integrate Nature Pledge principles and priorities across the three shifts (a Value Shift, an Economic and Finance Shift, and a Policy and Practice Shift) into respective regional strategies, country programme documents (CPDs), and linked United Nations work on issue-based coalitions, United Nations Sustainable Development Cooperation Frameworks (UNSDCFs), and United Nations country team (UNCT) action plans.

18. Corporately, UNDP will continue the use of lessons learned from the evaluations to inform and shape the direction of UNDP's global programmes and projects; all country offices, regional bureaus, and HQ units responsible for those evaluations, have developed comprehensive management responses and key actions to ensure findings and recommendations of the evaluations are tracked and implemented.

D. INDEPENDENT EVALUATIONS

D.1: THEMATIC EVALUATIONS

Implementation of thematic evaluations:

19. UNDP appreciates IEO's presentation of the three thematic evaluations to the Executive Board in 2024 namely (1) the Evaluation of UNDP support to the digitalization of public services, (2) the Evaluation of UNDP support to ecosystems management and biodiversity conservation and (3) the Evaluation of UNDP support to private sector development and structural transformation. UNDP presented its management responses to the first evaluation at the first regular session in February 2024, and for the remainder two were presented in the annual session of June 2024.

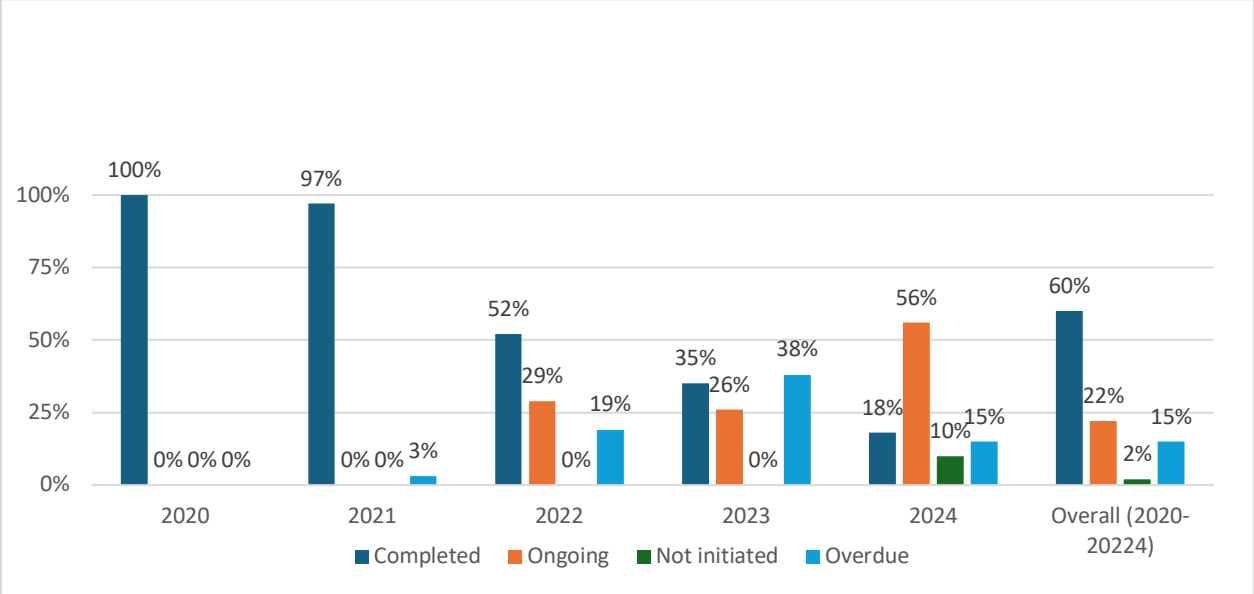
20. UNDP was actively engaged in supporting the three thematic evaluations and developing their management responses. UNDP will ensure that findings and recommendations are tracked, followed, and applied in the new program and project designs.

Implementation of management actions of thematic evaluations recommendations:

21. UNDP has institutionalized quarterly monitoring of key performance indicators (KPIs) to strengthen oversight and offer timely support to planning and implementing decentralized evaluations using the Evaluation Scorecard[1]. Through the same platform, UNDP tracks and reports progress of implementation of the management responses of thematic evaluations as well.

22. UNDP appreciates IEO's leadership in the conduct of sixteen thematic evaluations between 2020 to 2024. Management responses to the evaluation recommendations are tracked for a period of five years after the completion of each evaluation. *UNDP is pleased to inform the executive board that 82 per cent of management actions were implemented for thematic evaluations (60 per cent "completed", 22 per cent "ongoing or initiated" with only 15 per cent overdue).* BPPS is working with the business units concerned and teams to ensure the overdue key actions are implemented. Figure 1. Below highlights implementation of management actions for the evaluations is on track with actions for evaluations conducted between 2020 and 2024.

Figure 1: Implementation of management actions for thematic evaluations conducted in 2020-2024.



D.2: INDEPENDENT COUNTRY PROGRAMME EVALUATIONS (ICPEs)

Coverage and Use of ICPEs:

23. UNDP values the evidence generated through the ICPEs, as highlighted in the 2024 Annual Report on Evaluation. This is reflected in the integration of ICPE recommendations into the design of the Country Programme Documents (CPDs) approved by the Executive Board in 2024, all of which received satisfactory ratings under UNDP's programme quality index. Additionally, the quality of evaluation plans is assessed within the same index, ensuring that the implementation of recommendations is systematically tracked through annual evaluation plans.

[1] Evaluation Scorecard

24. In line with the 2018 Executive Board decision (2018/1) regarding coverage of all country programmes by an Independent Country programme Evaluation (ICPE), out of the 14 CPDs presented to the Executive Boad in 2024, **12 were accompanied by an ICPE, one by a Decentralized Country Programme Evaluation (DCPE), and one with a Country Performance Summary.** UNDP recognizes and appreciates IEO's continued efforts in expanding ICPE coverage of the country programmes and will continue to support IEO in meeting the 100 percent coverage in 2025 and beyond. UNDP suggests that IEO engages BPPS and the regional bureaus in case an ICPE is planned to be cancelled to ensure that the country offices have the time and resources to carry out other forms of evaluations.

Table 1: Coverage of ICPEs to new CPDs submitted to the Board 2020 - 2024[2]:

Year	CPDs approved by the Executive Board	CPDs with Evaluation Coverage		Coverage		CPDs approved without an ICPE.
		ICPE	DCPE (and unpublished)	ICPE Only	Total (ICPE + DCPE)	
2020	20	18	0	90%	90%	South Africa, Congo (DRC)
2021	23	20	2	87%	96%	*Spillover effects from COVID Albania
2022	35	25	4	71%	83%	*Spillover effects from COVID Niger, Pakistan, Libya, Jordan, Guyana, Trinidad, and Tobago.
2023	29	17	7	59%	83%	*Spillover effects from COVID Gabon, São Tomé and Príncipe, Mauritania, Chile, Dominican Republic
2024	14	12	1	86%	93%	Gambia (DCPE) Ukraine (Country Performance Summary)

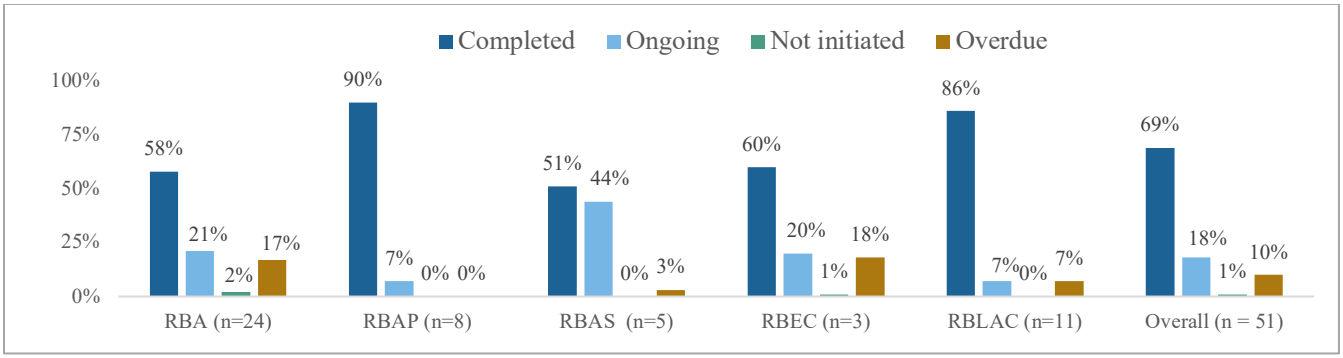
Implementation of management actions of ICPE evaluation recommendations:

25. Between 2020 - 2024, IEO conducted 92 ICPEs in five regions, for which UNDP committed to 687 management actions. Implementation of ICPE management action for both completed and ongoing stands at 87 percent (69 percent completed, 18 percent ongoing).

Figure 2: Implementation of management actions for ICPEs conducted in 2020 -2024, disaggregated by region[3].

[2] Between 2019 to 2020, IEO conducted several Independent Country Program Reviews (ICPRs) which was discontinued after 2020.

[3] RBA: Regional Bureau for Africa; RBAP: Regional bureau for Asia and the Pacific; RBAS: Regional bureau for Arab States; RBEC: Regional bureau for Europe and the CIS; RBLAC: Regional Bureau for Latin America and the Caribbean



26. UNDP management has institutionalized a regular tracking system of the status of management responses and key actions with periodic reporting to the Organizational Performance Group (OPG). This is beside periodic review and follow-up by BPPS with the regional bureaus and country offices.

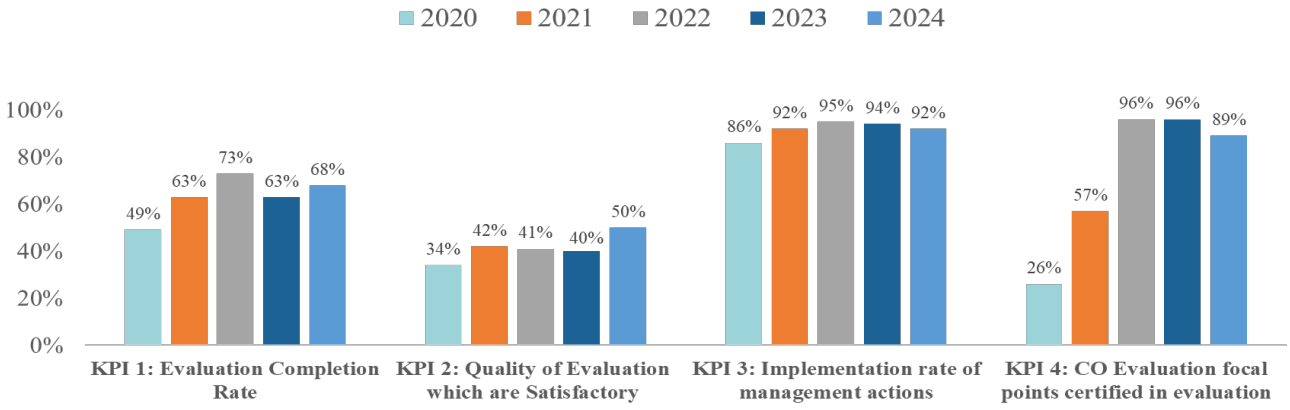
E. DECENTRALIZED EVALUATIONS

E.1: Key Performance Indicators on Evaluations:

27. Investment in strengthening the decentralized evaluation function has resulted in incremental improvements as measured by the decentralized evaluation Key Performance Indicators (KPI) namely: **evaluation planning**, **quality**, **capacities, follow-up**, **and implementation of recommendations** to inform higher quality programing and informed decision making. Besides the data on the Evaluation Resources Center (ERC), BPPS has developed the Evaluation Scorecard[4] tracking performance of all bureaus against the four KPIs.

28. Based on the analysis of the performance of UNDP over the years, in 2024, UNDP particularly focused on **improved planning and quality of the decentralized evaluations**. As a result of collective efforts by UNDP and IEO, there was an overall 5 percent improvement in planning evaluations in 2024 in comparison to 2023, and a 10 percent increase in the quality of the decentralized evaluations for the same period. The chart below shows incremental progress in all decentralized evaluation KPIs between 2020 to 2024.

Figure 3: The trend of Decentralized Evaluation Key Performance Indicators (2020-2024)



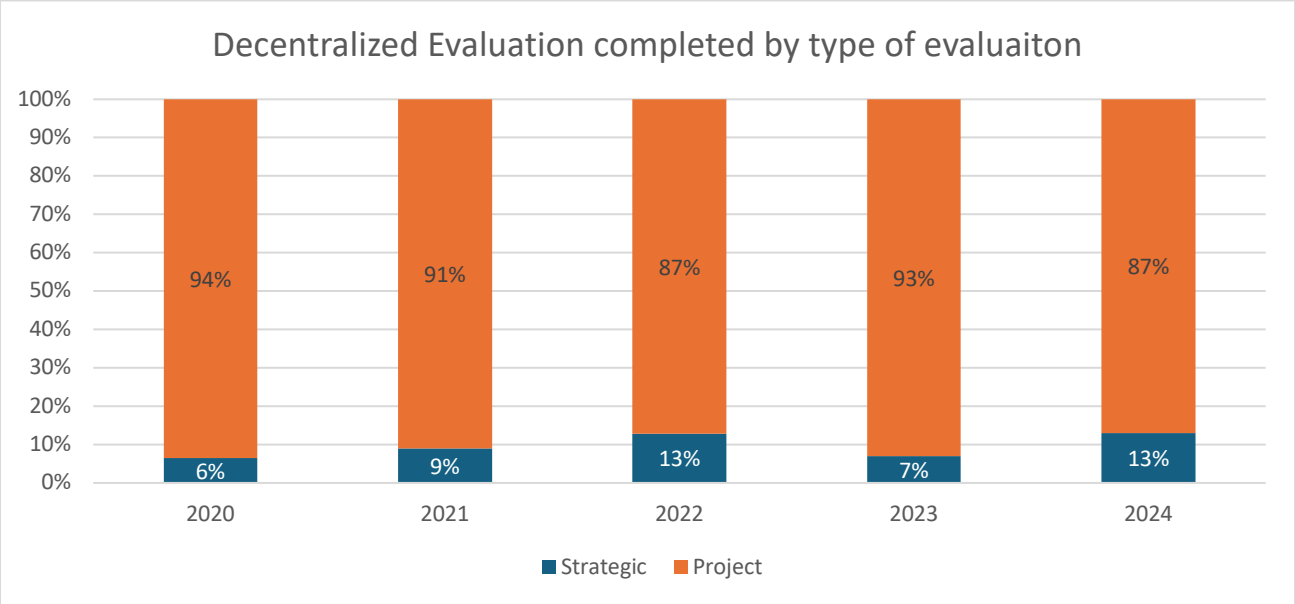
[4] Evaluation Scorecard

E2: Implementation of decentralized evaluation plans:

29. As part of the annual decentralized evaluation strengthening strategies, a key priority for UNDP was to improve the rate of completed decentralized evaluations against the annual target. This was tracked on a quarterly basis and feedback was provided to the regional bureaus and through them to the country offices.

30. As a result of collective efforts by country offices and the regional bureaus, UNDP completed 68 per cent of planned decentralized evaluations (313 against 457 planned) in 2024. It is worth noting the performance of RBAP who completed over 90 percent of its planned evaluations for the second consecutive year, while RBAS and RBEC were also on track, completing over 70 percent of their planned evaluations for 2024 (RBAS 88 percent and RBEC 71 percent).

31. A second positive trend in the planning of decentralized evaluations was the doubling of the number of strategic evaluations[5] in 2024 compared to the previous year. In 2024, 13 percent of the decentralized evaluations were strategic in nature while it was only 7 percent in 2023. This is in line with the current strategic plan priorities as well as the portfolio approach of the organization as an attempt to move away from the project focused initiatives and evaluations towards more strategic and impact focused evaluations.



32. Challenges confronting the timely implementation of decentralized evaluation plans range from delayed procurements, protracted partner consultations for the finalization of terms of reference and evaluation reports to changes in country context such as insecurity and conflicts. In addition, there is a build-up of evaluations in UNDP's annual decentralized evaluation plan. This is a result of a highly earmarked projectized funding model, compelling business units to evaluate projects rather than analyze results across multiple signature solutions and outcomes which would be more effective, efficient, and easy to use than evaluating separate projects.

33. As highlighted by the independent review of the evaluation policy, most projects meet the criteria for mandatory evaluations due to the evaluation thresholds set by UNDP's current evaluation guidelines. While evaluations mandated by funding partners—such as GEF and GCF—must be conducted separately, as these funding

[5] Strategic evaluations are thematic, portfolio, programme, outcome evaluations.

partners do not permit strategic consolidation and combining of the evaluations, overall compliance with UNDP's evaluation guidelines has also led to a high proportion of projects requiring mandatory evaluations.

Table 2: MANDATORY PROJECT EVALUATION THRESHOLDS	# EVALUATIONS
Projects with a planned budget or actual expenditure of more than $ 5 million. If the project is under four years, then only one evaluation is required.	Midterm **and** final evaluation
Projects with a planned budget or actual expenditure of between $3 million and $5 million.	Midterm **or** final evaluation
Projects with duration of more than five years.	At least one evaluation:midterm or final
Projects entering a second or subsequent phase.	One evaluation before moving into the new phase
Development initiatives being considered for scaling up.	An evaluation before expansion

34. UNDP believes that the revised policy should promote more strategic and portfolio evaluations that capture results and impact in line with the recommendation of the independent review of the evaluation policy.

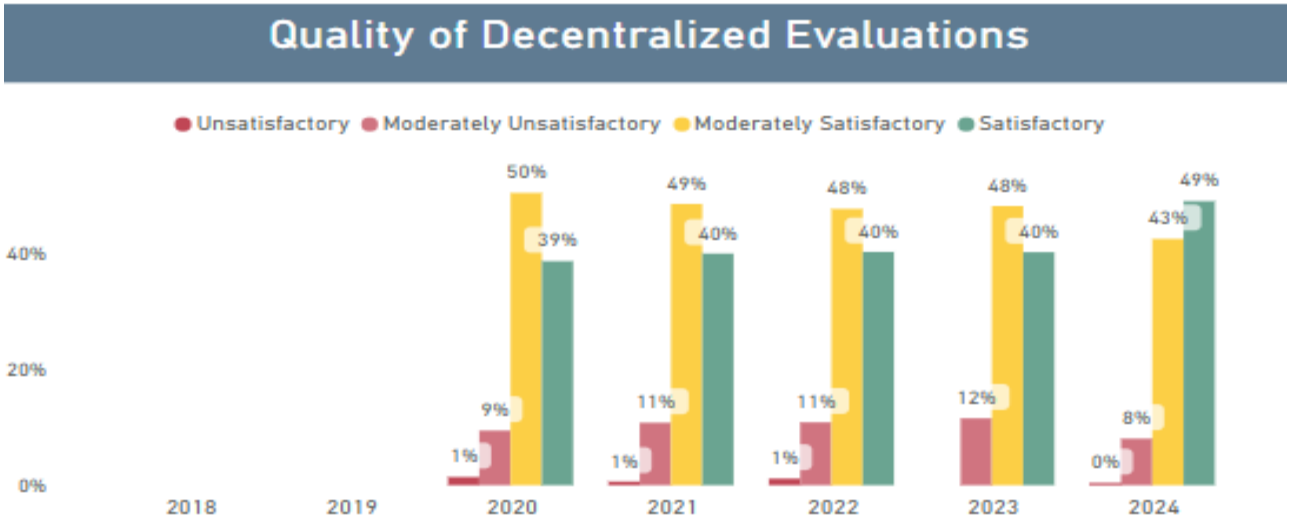
35. As UNDP has revamped its overall result-based management strategy and guidelines, it will work on specific guidelines and tools on impact assessment and measurement, receiving guidance from IEO on conducting portfolio and impact evaluations that will complement those initiatives. A shift from project to strategic evaluations including impact, thematic, programme, outcomes and portfolio evaluations remains a priority for the organization to make sure development results are independently verified, effectively communicated to the stakeholders, and important lessons are learnt.

E3: Quality of decentralized evaluations

36. In 2024, UNDP prioritized enhancing the quality of decentralized evaluations by developing and implementing specific tools, resources, and guidelines. Key measures included peer reviews of Terms of Reference (ToRs) and reports, the use of simplified checklists for quality assessments, and strengthened oversight by regional bureaus to ensure more rigorous evaluations standards and consistency in evaluations.

37. UNDP appreciates IEO's efforts in rating the quality of decentralized evaluations. Of the 250 evaluations assessed in 2024 for quality, about 50 per cent were rated as satisfactory. 2024 was the first year UNDP was able to meet the 50 percent satisfactory rating, with a 10 percent increase in the quality of evaluations in comparison to 40 percent in 2023.

Figure 4: Decentralized evaluation quality, 2020 -2024



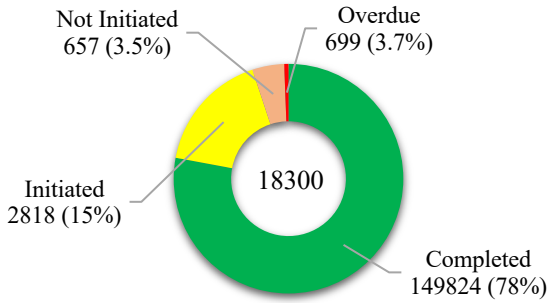
38. In terms of regional distribution, RBAS had surpassed the 50 percent benchmark for four consecutive years. RBAS scored 73 per cent of evaluation reports rated "satisfactory", followed by 67 percent by RBAP and 50 percent by global units in 2024.

39. IEO has recognized the efforts of high performing offices through evaluation excellence awards for outstanding evaluations to Cambodia, Chad, Yemen, and Ukraine, besides special recognition of Bangladesh, Bosnia and Herzegovina, Cambodia, Iraq, Malawi, Nepal, Papua New Guinea, Somalia, Türkiye, and Yemen for their consistent high-quality evaluations.

E4: Implementation of management actions to the decentralized evaluation recommendations:

40. UNDP has strengthened its follow-up and implementation of the action plans of the decentralized evaluations over the years. For 2024, the implementation rate of management responses and key actions for decentralized evaluations stands at 93 per cent (completed and ongoing) with only 3 per cent overdue surpassing the 90 percent target set for this KPI. UNDP has maintained a system of regular tracking and follow-up to ensure committed key actions are followed up and implemented on time.

Figure 5: Implementation of key actions for decentralized evaluation (2020-2024)



41. Based on UNDP's management response to the independent review of its evaluation policy, a key priority moving forward will be to strengthen the **uptake of evaluation recommendations and enhance their utility in designing new programmes**, **portfolios**, and **projects**. Additionally, evaluations serve as a critical source

of information for the annual reports of country offices and regional bureaus, ensuring evidence-based decision-making and continuous improvement.

F. INVESTMENT IN EVALUATION:

42. UNDP Evaluation Policy stipulates that UNDP will aim at allocating 1 per cent of combined programmatic (core and non-core) resources to the evaluation function on an annual basis. In line with this, UNDP's expenditure on evaluation reached $40.25million which is approximately 0.83 percent of UNDP's total programme expenditure[6] for 2024.

Table 3: UNDP expenditure in millions on evaluation, 2020-2024

UNDP evaluation expenditure in millions, 2020-2024							
UNDP overall Evaluation expenditure			**2020**	**2021**	**2022**	**2023**	**2024**
UNDP expenditure	UNDP Country Office expenditure on evaluation	Evaluation implementation costs	$6.00	$9.04	$10.80	$7.40	$8.86
		Staff costs	$5.40	$5.20	$8.80	$9.66	$11.89
		Additional evaluation-related costs	$0.90	$0.10	$3.60	$2.73	$2.86
		Country office expenditure	***$12.30***	***$14.30***	***$23.20***	***$19.79***	***$23.61***
	Expenditure at Headquarters and by regional bureaux	Evaluation costs	$0.40	$0.80	$0.70	$1.15	$1.00
		Staff costs	$1.80	$1.30	$1.20	$2.08	$1.70
		Additional evaluation-related costs	$0	$0.02	$0.02	$0.09	$0.40
		Regional expenditure	***$2.20***	***$2.10***	***$1.90***	***$3.32***	***$3.11***
	TOTAL		**$14.50**	**$16.40**	**$25.10**	**$23.04**	**$26.72**
IEO expenditure	Evaluations and other institutional activities **TOTAL**		**$11.20**	**$11.40**	**$11.80**	**$13.77**	**$13.85**
GRAND TOTAL			**$25.80**	**$27.80**	**$36.90**	**$36.81**	**$40.57**
% Resources spent for evaluations			**0.57**	**0.58**	**0.77**	**0.75%**	**0.83%**
UNDP program expenditure			$4,507	$4,802	$4,810	$4,910	$4,860

[6] Executive Snapshot https://app.powerbi.com/groups/me/reports/bfae426e-1f64-46cf-893e-ffcb697221a1/ReportSection086ef516d0e0624c6a74?experience=power-bi

43. Country office expenditure increased from $19.8 million in 2023 to $23.6 million in 2024. The increase is mainly due to investment by country offices in staffing capacities besides an increase in the number of evaluations completed in 2024 in comparison to 2024[7].

G. ACTIONS TAKEN IN 2024 TO STRENGTHEN DECENTRALIZED EVALUATIONS

44. A *"Roadmap for strengthening decentralized evaluations in UNDP"* was jointly developed by UNDP and IEO in response to the Executive Board decision (UNDP/2022/3) in 2022 and it continues to guide UNDP's efforts in elevating its performance on the decentralized evaluations. Key actions on the implementation of the decentralized evaluation roadmap in 2024 are listed below.

Pillar 1. Evaluation Implementation, Independence, and Quality

45. Strategies at the Central and Regional Bureau level for strengthening decentralized evaluations: UNDP continued providing guidance and support to the bureaus in developing and implementation of bureau specific strategies for strengthening decentralized evaluations. The strategies for 2024 were developed and implementation was tracked and reported to the OPG periodically.

46. Strengthening programming tools related to evaluation: As part of the overall revamp of the result-based management strategy and guidelines revision, a chapter on evaluations was developed to complement the existing guidelines by IEO, providing step by step guidance to the user in implementing decentralized evaluations.

47. Enhanced support for the development of country programme evaluation plans: UNDP extended strategic advisory inputs to 14 country offices in the development of evaluation plans focusing on (a) inclusion of a range of strategic evaluations like impact, thematic, program, outcomes, portfolio, and project evaluations; (b) balanced evaluation coverage across all country program outcomes; and (c) realistic timing, resourcing, and sequencing of evaluations. This is done through the overall quality assessment of the new country programme documents before submission to the Executive Boad for approval.

48. Expansion of the Express Roster for quality evaluators: Availability of strong evaluators remains a key demand for country offices therefore, UNDP continues to build a larger pool of evaluators as part of the Crisis Bureau Express Roster. In 2024, UNDP finalized the inclusion of an additional 165 evaluators into the evaluation roster. By the end of the year, over five hundred vetted evaluators were on the roster and available for use by the country offices.

Pillar 2. Management Accountability and use

49. Evaluation scorecard and key performance indicators: The roll-out of the Evaluation Scorecard [8] complements the data available in IEO's Evaluation Resource Center, offering management real-time data on evaluation performance to facilitate timely action to lift UNDP's performance on evaluation KPIs. For 2024, Key performance Indicators (KPIs) were tracked quarterly with the regional bureaus and progress was periodically reported to the OPG. Status of the Key Performance Indicators is presented in Annex 1.

50. Tier 3 indicators on evaluation performance for the IRRF of the Strategic Plan: Six evaluation indicators were included in UNDP's Strategic Plan 2022-2025 with associated methodological notes. UNDP monitored

[7] UNDP completed 313 evaluations in 2024 in comparison to 287 completed in 2023.
[8] Evaluation Scorecard

and tracked progress to ensure the timely completion of these milestones. Details of the IRRF progress against the annual targets for 2024 are presented in Annex 2.

51. Updated Annual Reporting on Evaluation Actions and Expenditure: for 2024, UNDP continued to use the revised methodology to accurately capture organizational investments in the evaluation function in line with the UNDP evaluation guideline and approved an organizational roadmap for strengthening quality, coverage, and use of decentralized evaluations.

H. STRATEGIC PRIORITIES FOR 2025 AND BEYOND:

52. As UNDP enters the final year of its current Strategic Plan, consolidating progress in evaluation is essential. Strengthening systems for tracking, implementing, and utilizing evaluations will not only improve programming but also enhance the capacities of national partners and hosted agencies.

53. Building on lessons learned in 2024, UNDP, in collaboration with the Independent Evaluation Office (IEO), will focus on strengthening evaluation planning, improving quality, and increasing the utility and use of evaluations in 2025 and beyond.

More specifically, UNDP will prioritize the following:

1. BPPS to engage with IEO on revising the evaluation policy and guidelines in alignment with the findings and recommendations from the independent review to ensure recommendations are implemented.

2. Country office and regional bureaus to enhance evaluation planning through periodic reviews of plans and new CPDs to ensure they are balanced and realistic and are beneficial for learning and decision making.

3. BPPS and regional bureaus to strengthen decentralized evaluation strategies as a structured approach for continuous improvement in evaluation planning and management.

4. BPPS and regional bureaus to improve evaluation quality by addressing key bottlenecks in collaboration with IEO, with targeted support for the regions with less than 50 percent satisfactory ratings in 2024.

5. Country offices and regional bureaus to increase the use of evaluations in designing new programmes, portfolios, and projects, as recommended by the independent review of the evaluation policy.

6. BPPS to expand the evaluators' roster, with a particular focus on French and Spanish-speaking experts.

7. Country offices, regional bureaus, and HQ units to increase strategic evaluations to meet the 20% target set in the Strategic Plan results and resources framework.

8. BPPS to invest in evaluation capacity by strengthening the skills of M&E focal points in country offices, in collaboration with IEO and regional bureaus.

UNCDF management commentaries on the 2024 Annual Report on Evaluation

A. INTRODUCTION

UNCDF welcomes the 2024 Annual Report on Evaluation, submitted by the Independent Evaluation Office (IEO) to the Executive Board. The report provides a summary of key findings from independent evaluations for organizational lessons to support the UNCDF organizational re-alignment and help UNCDF improve program quality.

UNCDF Management commentaries reflect UNCDF perspectives of critical elements related to evaluation tasks, independent evaluations, actions taken by UNCDF in 2024, and those that will be elaborated by the UNCDF evaluation function during the remaining year of the 2022-2025 Strategic Framework period.

In line with UNCDF's commitments under the Strategic Framework 2022-2025, UNCDF Management reiterates its intention to continue to ensure an appropriately – resourced evaluation function (UNDP Evaluation Policy, point 27), UNCDF will aim to continue to allocate at least 1 per cent of its combined programmatic (core and non-core) resources to the evaluation function on an annual basis that can support the independent evaluation of selected key programmes and projects at the mid-term and final points of their implementation.

UNCDF also commits to continue to conduct thematic and portfolio evaluations to capture UNCDF's performance at the organizational level overall and across key themes and priority areas of UNCDF's work – including with its key partners.

B. LESSONS

UNCDF Management highly values findings reflected in the report, synthesizing key lessons from evaluations conducted by UNCDF.

At the organizational level, UNCDF is pleased to note the evaluation findings on its comparative advantage in piloting and demonstration innovative financing mechanisms, including blended finance and its ability to leverage its investment mandate in collaboration with UN agencies to meet host country development needs. At the programmatic level, UNCDF is pleased to note the evaluation findings on market development in supporting private sector innovation as well as its findings at the policy level on deepening capacity among regulators and providing focused technical assistance.

Key lessons include the need for a clearer mission and vision statement to enable UNCDF's strategic positioning within the broader development finance landscape. as well as the importance of fostering deeper collaborations with partners and ensuring clear impact pathways supported by a strengthened monitoring system.

C. IMPLEMENTATION OF EVALUATION PLAN

UNCDF Management acknowledges the delays in the implementation of the UNCDF Evaluations against the four-year evaluation plan. Despite an acceleration and catch-up in 2023, challenges continued in 2024 due to resource constraints, the restructuring, and the complexity of multi-country interventions demanding significant managerial oversight, stretching available capacity.

The Evaluation Unit set-up and capacity was included in the Organizational Review process conducted by Operational Performance Team in the Bureau for Management Services (BMS/OPT) in 2024, and recommendations are in the process of being implemented in 2025 with the objective of strengthening the evaluation function of UNCDF in line with the UNDP Evaluation Policy.

D. IMPLEMENTATION (COMPLETED AND INITIATED) OF MANAGEMENT ACTIONS

In line with UNDP's Evaluation Policy, UNCDF has institutionalized a system of Management Responses to its evaluations, with the objective that evaluations are used to inform and improve programme design and facilitate the internalization of evaluative knowledge, recommendations and lessons learned.

Over the last five years, UNCDF conducted fifteen evaluations, tabling a total of 142 recommendations with 307 management actions. As of 31st of January 2025, 98% percent of management actions were implemented. UNCDF management recognizes the importance of management responses for effective organizational learning and will continue to focus on maintaining commitment to the timely implementation of management response and key actions.

E. STATUS OF EVALUATION QUALITY RATINGS

Of the three evaluations quality assessed in 2024, all were rated satisfactory, scoring five out of 6. This remains consistent with the quality ratings received over the last five years with a total of 15 Evaluations rated satisfactory and above.

Management is committed to maintaining the same high quality for all evaluations going forward.

F. EVALUATION RESOURCE CENTER FOCAL POINT WITH EVALUATION CERTIFICATIONS

Management is pleased to report that all UNCDF Evaluation Unit Staff (Evaluation Specialist and Evaluation associate) are duly certified.

GOING FORWARD

UNCDF management will receive quarterly updates during management meetings on the progress made by the Evaluation Unit. These will be in addition to the regular briefings by the Evaluation Unit to the Executive Secretary to whom it reports.

Annex 1: Evaluation Key Performance Indicators 2024

Critical evaluation performance in KPIs		UNDP Overall			Bureaus						Global Units (By programme units)				
		Basline (2023 performance)	Annual Target 2024	2024 achievement (31 January 2025)	RBA	RBAP	RBAS	RBEC	RBLAC	Global	BPPS	CB	UNOSSC	UNCDF	UNV
KPI 1. Percentage of completed evaluation against quarterly and annual targets from Annual evaluation plan	Annual target	63%	>90% by Q4 or end of year	68%	64%	92%	88%	71%	49%	54%	47%	50%	0%	60%	50%
		289 out of 456		313 out of 457 (11 Overdue)	70 out of 110 (8 Overdue evaluations)	68 out of 74	46 out of 52	65 out of 92	50 out of 103	14 out of 26 (3 Overdue)	8 out of 17	1 out of 2	0 out of 1	3 out of5	1 out of 2
KPI 2. Percentage of decentralized evaluation reports rated as 'highly satisfactory' or 'satisfactory' quality		40%	>= 50%	50%	39%	67%	73%	42%	25%	50%	33%	100%		100%	0%
		87 out of 216		124 out of 250	22 out of 57	35 out of 52	30 out of 41	22 out of 52	9 out of 36	6 out of 12	2 out of 6	1 out of 1	NA	3 out of 3	0 out of 1
KPI 3: Percentage of decentralized evaluation management actions that are implemented (Completed +Initiated)	Decentralized evaluations	93%	90%-95%	92%	84%	98%	96%	93%	91%	82%	63%	78%	88%	98%	98%
		18597 out of 18335		16502 out of 17983 (948 overdue)	3448 out of 4169 (538 overdue)	5180 out of 5262 (4 overdue)	1655 out of 1717 (8 overdue)	2833 out of 3045 (58 overdue)	2601 out of 2871 (239 overdue)	749 out of 919 (101 overdue)	196 out of 313	135 out of 174	50 out of 57	265 out of 270	103 out of 105
	ICPEs	92%	90%-95%	87%	75%	100%	97%	89%	97%						
		1119 out of 1212		592 out of 680	217 out of 291			62 out of 70							
	Thematic evaluations	89%	90%- 95%	83%							78%	95%			
		207 out of 232		224 out of 271							149 out of 189	64 out of 67			
KPI 4. Percentage of CO evaluation focal (ERC focal points) with evaluation certification		96%	>90%	89%	100%	100%	100%	96%	100%	26%	17%	33%	0%	50%	67%
		190 out of 198		220 out of 246	72 out of 72	44 out of 44	36 out of 36	25 out of 26	35 out of 35	9 Out of 34	3 out of 18	3 out of 9	0 out of 1	1 out of 2	2 out of 3

Annex 2: Progress Against IRRF Targets for 2024