



## **Industrial Development Board**

### **Fifty-second session**

Vienna, 25–27 November 2024

Item 14 of the provisional agenda

### **Evaluation and internal oversight activities**

## **Evaluation activities**

### **Report by the Director of the Office of Evaluation and Internal Oversight**

The present report provides information on the activities of the evaluation function in accordance with decisions IDB.44/Dec.3 and IDB.48/Dec.10, and updates the previous report contained in document [IDB.51/25](#). In line with Board decision IDB.51/Dec.10, summaries of relevant independent evaluations will be provided in conference room paper IDB.52/CRP.10.

## **I. Background**

1. The Office of Evaluation and Internal Oversight (EIO) is responsible for three oversight functions in UNIDO: independent evaluation, internal audit and investigation. Its mandate is to provide independent and objective assurance, advice, evaluation and investigation services to enhance accountability and learning, and to add value to and improve the efficiency and effectiveness of UNIDO's operations, internal control framework, risk management, results-based management and organizational governance processes.
2. The **evaluation function** is governed by the EIO Charter<sup>1</sup> and the UNIDO Evaluation Policy,<sup>2</sup> and is further guided by the Evaluation Manual.
3. EIO keeps providing the Independent Oversight Advisory Committee (OAC) with an overview of its activities during its regular meetings, and sharing its workplans for OAC advice before issuance.

<sup>1</sup> Director General's Bulletin DGB/2020/11, as contained in document IDB.48/25 and approved by the Industrial Development Board in decision IDB.48/Dec.10.

<sup>2</sup> Director General's Bulletin DGB/2021/11.

For reasons of sustainability, this document has not been printed. Delegates are kindly requested to refer to electronic versions of all documents.



## II. Evaluation coverage during the reporting period

4. EIO issued 24 evaluation reports, including nine strategic- or corporate-level evaluations and advisories, and 15 project evaluation reports covering various aspects of UNIDO’s priorities and operations. Figures 1 and 2 present the overview of evaluation reports by engagement type and thematic areas, respectively.

Figure 1  
**Reports by engagement type (24 reports)**

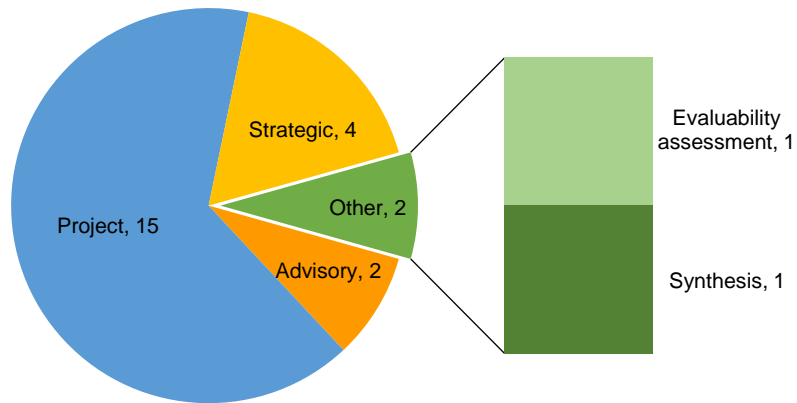


Figure 2  
**Project evaluations by location and thematic priority<sup>3</sup>**

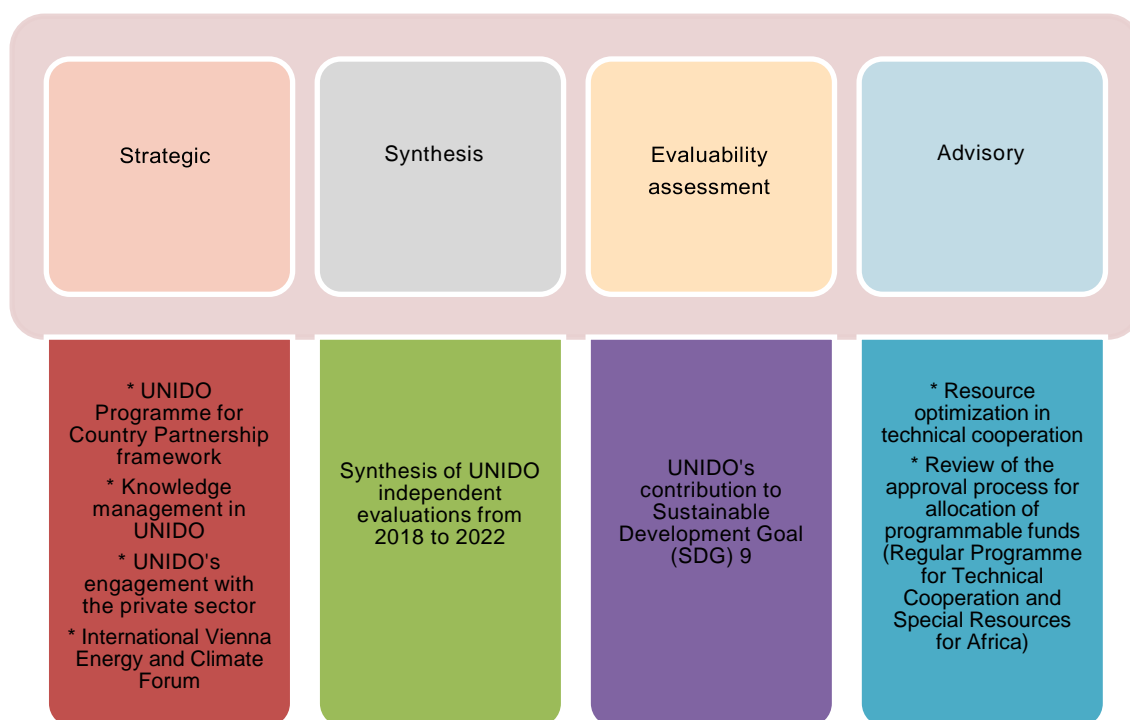


<sup>3</sup> MENA: Middle East and North Africa; GQSP: Global Quality and Standards Programme; GEIPP: Global Eco-Industrial Parks Programme.

### III. Overview of evaluation work

5. During the reporting period, EIO implemented its workplan, continuing to provide evidence-based information at strategic and project levels.

6. The following **independent strategic and country-level evaluations**, of which summaries will be provided in document IDB.52/CRP.10, were conducted.



7. In addition, **15 independent project evaluations** were finalized, quality assurance was provided and evaluation reports issued between November 2023 and August 2024.

8. All EIO independent evaluation reports are available on the UNIDO website (see [www.unido.org/resources/evaluation-and-internal-oversight/evaluation/reports](http://www.unido.org/resources/evaluation-and-internal-oversight/evaluation/reports)).

9. In the last quarter of 2023, EIO launched an online evaluation training (module I – 131, module II – 88 and module III – 75). This training has since been completed by more than 200 users. Its successful completion was a prerequisite for government counterparts to take part in the national evaluation capacity development workshop held in November 2023 in Cairo, Egypt.

10. Following an internal review, and to foster learning and accountability and strengthen a results-based management approach, EIO issued new UNIDO evaluation procedures. These procedures ensure that all technical cooperation projects have at least one evaluation conducted, which could be a self-evaluation or an independent evaluation.

11. EIO confirms that, in performing its evaluation activities during the reporting period, it functioned independently and objectively without any interference and influence from internal or external parties. However, limitations due to operational budget and human resource constraints should be noted as a recurrent issue.

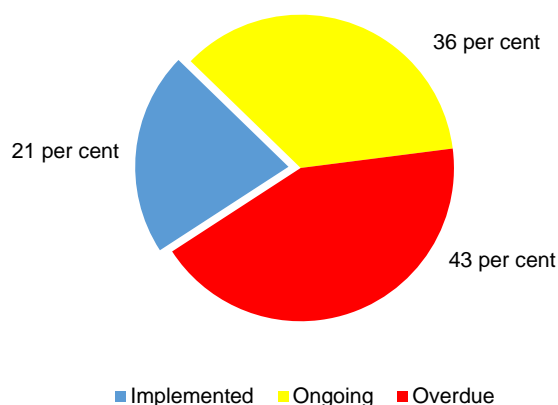
### IV. Implementation status of management action plans

12. While the implementation of management action plans (MAPs) is a management responsibility, EIO continued to follow-up on and facilitate their implementation, including by holding meetings with Managing Directors and new MAPs owners.

13. Since 2021, EIO has worked to introduce MAPs that are agreed upon based on the findings and recommendations of all strategic evaluations, including thematic and country-level evaluations that assess systemic, cross-cutting and corporate-level areas. This has increased management commitment and ownership in addressing identified areas for improvement. To date, a total of 27 MAPs were agreed upon with the responsible management, of which five were closed. Seven MAPs were considered ongoing and 15 overdue.

Figure 3

### Overall implementation rate of management action plans



## V. Cooperation with the United Nations Evaluation Group and other evaluation bodies

14. Throughout the reporting period, EIO's evaluation function was actively involved in the activities of the United Nations Evaluation Group (UNEG), including through its participation in several UNEG working groups, evaluation practice exchange events and the UNEG Annual General Meeting in January 2024.

15. EIO participated in strategic evaluations led by other organizations, such as the SDG Synthesis Coalition, led by the Independent Evaluation Office of the United Nations Development Programme.

16. EIO, as one of the founding members of the United Nations+ Vienna evaluation group, participated in group meetings to foster exchanges on evaluation-related topics of common interest.

## VI. Resources

17. Currently, the EIO evaluation function's budgeted posts comprise three Professional and one General Service categories staff, including the Chief of the unit. One additional Professional category post is required.

18. Furthermore, within the current resource limitations, the evaluation function is not in a position to fully cover all identified strategic and key evidence gap domains in its workplan.

## VII. Outlook

19. Based on a risk and evidence gaps reassessment, the EIO evaluation workplan for 2024 was approved early in the year. It took into consideration EIO strategic objectives, key changes in the internal and external environment, new UNIDO strategic priorities, management concerns and ongoing challenges.

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20. One new strategic evaluation engagement, namely on the Third Industrial Development Decade for Africa, and one country-level evaluation in China, are being conducted in 2024. A review of the status of implementation of recommendations from independent project evaluations issued between 2013 and 2024 is also being conducted. In addition, the EIO evaluation workplan includes a strategic evaluation of UNIDO's global positioning on inclusive and sustainable industrial development and thought leadership, to be initiated in late 2024.
21. EIO will continue to provide briefings to Member States to foster dialogue, present evaluation activities, and share key findings from strategic evaluations and follow-up actions sought from Member States.
22. EIO will continue exploring the possibilities for establishing a sustainable and predictable evaluation operational funding or similar mechanism, to further strengthen the operational independence of the evaluation function. One proposal is to merge the endowment of evaluation funds allocated as part of the overall budgets of projects and programmes. The proposed funding mechanism would facilitate the creation of synergies and the increase of EIO's operational capacity.
23. Independent project evaluations will be conducted by EIO on selected projects, on the following basis:
- (a) When required by donors, which would be reflected in the project document at the time of project design and formulation; or
  - (b) When selected by EIO during its periodic risk and evidence gap assessment.
24. For all projects without an independent project evaluation, a self-evaluation must be conducted under the full responsibility of project management by project completion.
25. As ever, the impact of EIO, through its independent, credible and objective functions, assisting the Organization in achieving its goals, depends ultimately on the continuous support received from UNIDO's senior management and its Member States.

## **VIII. Action required of the Board**

26. The Board may wish to take note of the information contained in the present document.
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