

Inga-Britt Ahlenius
Under-Secretary-General
for Internal Oversight Services

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19 March 2009

Dear Mr. Siegfried,

OIOS would like to thank you and the other members of the UNEG-DAC Peer Review Panel for the above report, submitted on 31 January 2009.

Before proceeding with specific responses to some of the individual findings and recommendations in the Peer Review report, OIOS would like to clarify that it is subject to the mandate given by the General Assembly in its resolution 48/218B, and as such, operates under the authority of the General Assembly and the Secretary-General. OIOS' request for the Peer Review was motivated by the desire for collegial peer feedback on its Inspection and Evaluation Division (IED), in order to further strengthen the work of the Division. To that effect the report is very helpful and much appreciated.

Following on the World Summit mandated "Comprehensive Review of Governance and Oversight in the UN," the General Assembly had deliberated at length, and taken steps to clarify and strengthen the role and function of OIOS as the UN Secretariat's internal oversight body.

Along with various measures to strengthen OIOS, the role and function of IED was also revised and strengthened. IED formally came into being in 2008, and as recognized by the Panel, it has undergone major transformation from its previous incarnation¹. In consideration of the early stage of the Division's development, OIOS sought the UNEG-DAC Peer Review as an opportunity to determine, from an independent perspective, the quality and effectiveness of the work of IED. As such, this report constitutes an important benchmark against which future progress may be measured.

Mr. Gerhard Siegfried, Chair
Head of the Corporate Controlling Division
Swiss Agency for Development and Cooperation (SDC)
Bern, Switzerland

¹ Prior to 2008, IED was known as the Monitoring, Evaluation and Consulting Division (MECD), and the Division was responsible for programme performance reporting (i.e. monitoring) and management consultancy support, in addition to inspection and evaluation work.

The report has highlighted areas of strengths as well as weaknesses in the work of IED, and many of its recommendations will form the basis for further strategic initiatives and improvements in IED's operations. In particular, I am pleased to note the strong positive findings on the independence of the Division, as well as the Panel's overall satisfaction with the credibility of the Division's work. With regard to the latter, I acknowledge the challenges, noted in the report that IED faces in further enhancing its credibility.

With regard to the Panel's lower assessment of the utility of the Division's work, I would concur that much more needs to be done in the Organization to strengthen the actual use of evaluation findings. While IED can certainly continue to improve on the quality of its reporting and the dissemination and communication of evaluation findings, systemic and organization cultural transformations are required for evaluations to be utilized fully and meaningfully by UN governing bodies, senior managers and staff. In this regard, the Secretary-General's report on Strengthening of the role of evaluation and the application of evaluation findings on programme design, delivery and policy directives, which is prepared by OIOS biannually, is one amongst several potential means for OIOS to engage the General Assembly, the Secretary-General, and the UN programme managers in dialogue on ways to strengthen evaluation as an oversight, management and learning tool.

While appreciating the overall findings of the report, OIOS notes that a few of the specific findings and recommendations are unacceptable to OIOS. I would like to take this opportunity to express our difference of opinion on these matters while at the same time welcoming continued dialogue with the Panel members, other UNEG members, as well as any other interested stakeholder, on these issues.

In particular, OIOS notes the following:

Regarding Independence and Contribution to Learning:

OIOS is pleased to note the strong positive finding by the Panel on the independence of IED. However, OIOS disagrees with the Panel's finding that the location of IED in OIOS "carries a disadvantage in that IED is seen primarily as an oversight body and less as an agent facilitating learning in the Secretariat".

First of all, the agreed upon criteria for the assessment of independence, as per the TOR of the Peer Review process, as well as per the assessment framework of the Peer Review (Appendix 3 of Report) does not address "contribution to learning," which is a separate issue, addressed under the assessment of "utility", as "contribution to knowledge building". Thus, OIOS finds that the discussion of contribution to learning under the finding on independence is misplaced and confuses the issues.

Secondly, OIOS notes that there is no available study or evidence that demonstrates that evaluations produced by units located within an oversight entity, such as OIOS, are less able to contribute to learning than units that are not part of oversight. Neither is any evidence presented to support the assertion that IED's location in OIOS is a

“disadvantage”. If this was the case, an assessment would have to be made of the extent to which other strongly independent evaluation entities are similarly affected negatively by their independence in terms of contribution to learning. To the extent that strong independence, and its association with oversight, has a negative contribution to learning, then what is called into question is the UNEG norm and standard for independence itself, and its affect on evaluations’ contribution to learning.

Thirdly, OIOS notes that the UNEG paper on Evaluation and Oversight had concluded that location is *not* a constraint to the overall effectiveness of an evaluation entity, as long as certain minimum conditions are met. Until new studies or evidence are available to prove this to the contrary, OIOS maintains that the location of IED in OIOS is not any more problematic than it is for other independent evaluation entities in the UN system. It is widely acknowledged that evaluation units located in other organizational entities, such as programme planning or policy units, face their own challenges in maintaining independence and effectiveness. In this regard, OIOS notes that in a forthcoming UNEG position paper on the distinctiveness of evaluation, which will be presented to the UNEG AGM 2009, the UNEG Distinctiveness of Evaluation Taskforce states that:

“Drawing on some of the experiences of various evaluation entities in the UN, indications are that, regardless of the location of evaluation, there are measures that can be taken to overcome the specific challenges raised by location, to ensure the integrity of the evaluation function. Due to the complementarity of evaluation with other oversight functions, it is also important to ensure that a continuous exchange of information takes place among the functions.²”

Lastly, there is little actual evidence in the report itself that speaks to the effect of association with oversight to learning, other than the misperception of OIOS’ evaluation reports as similar to audit reports, which would indicate the need for clearer and better communication of the differences between different oversight reports rather than relocation of the function. OIOS agrees that more effective communication in this regard is needed.

To be clear, OIOS categorically rejects the recommendation to relocate IED. In any case, such a decision would require a General Assembly review and resolution to replace its resolution 48/218B, which established evaluation as a critical function under OIOS’ oversight mandate.

Despite the above position, OIOS, nevertheless, accepts the finding that its contribution to learning can be improved, and furthermore accepts the Panel’s recommendation (6.7.11) to “establish a better balance between the accountability and the learning aspects of the evaluation function.” OIOS will strive to achieve this through strengthening of the communication and dissemination of its evaluation findings, as well as reviewing the focus of its evaluations to ensure that a learning dimension is incorporated.

² UNEG position paper on the distinctiveness of evaluation, to be presented to the UNEG AGM 2009, prepared by the UNEG Distinctiveness of Evaluation Task Force

Regarding the Definition and Removal of Inspection

OIOS also disagrees with the Panel on the definition of inspection and its suggestion to do away with the term (and practice) altogether in IED.

OIOS notes that the Panel has recommended that OIOS subscribe to the UNEG definition of inspection, which is stated as – “a general examination that seeks to identify vulnerable areas and malfunctions and to propose corrective action.”

OIOS further notes that the UNEG Distinctiveness of Evaluation Task Force cited the JIU definition of inspection in its forthcoming position paper³; i.e. that an Inspection is “a special on-the-spot assessment, either scheduled or unexpected, made of an activity and directed toward the resolution of problems which may or may not have been previously identified.”⁴ The Task Force further observed that –

“[I]n practice, the definition and scope of Inspection vary, ranging from oversight involving direct observation (hence inspecting), to involving investigative, audit or evaluation approaches, a hybrid of all three. In some cases, inspection is used as a generic term referring to any one of the three approaches. Thus, of all the oversight functions, inspection is the one with the least clearly defined and demarcated boundaries and identity.”

As part of its review of its oversight disciplines, OIOS had examined closely both the UNEG and JIU definitions of Inspection and found them to be, in operational terms, unclear and problematic. There is little in the UNEG definition that would differentiate inspection from any evaluation. It is not at all clear what evaluations, purporting to assess relevance, efficiency and effectiveness, do not also “identify vulnerable areas and malfunctions and propose corrective action”? With regard to the JIU definition, “on-the-spot assessments” are part of the standard evaluation tool-kit.

In the effort to differentiate inspections from evaluations in a more meaningful manner, IED has been led to redefine inspections as – “a review of an organizational unit, issue or practice perceived to be of potential risk in order to determine the extent to which it adheres to normative standards, good practices or other pre-determined criteria and to identify corrective action as needed”. This definition differentiates inspections from evaluations by focusing on – (i) entities or issues perceived to be of potential risk, and (ii) adherence to normative standards, good practices or pre-determined criteria. The latter is a very specific, check-list approach to assessment, more limited in scope than an evaluation’s broader focus on effectiveness (i.e. via outcome and impact assessments). While OIOS agrees that this definition has yet to take root conceptually, internally and externally, given its nascent developmental stage, OIOS asserts that, for its own purpose, this definition is clearer and an improvement upon both UNEG and JIU definitions.

³ Ibid

⁴ JIU Glossary of Evaluation Terms – JIU/REP/78/5.

To be clear, OIOS categorically rejects the recommendation to remove the term (and practice) of Inspection from IED. Similarly, such a decision would require a General Assembly review and resolution to replace its resolution 48/218B, which established inspection, alongside evaluation, as critical functions under OIOS' oversight mandate.

Targeting of Recommendations

Lastly by way of general considerations, I note that several of the findings and recommendations made by the Peer Review Panel are less about how IED conducts its evaluations than about the motivations and perceptions of the programme managers and the UN governing bodies who make use of evaluation. Also, there are several that involve capacity and resource constraints that are set by the Assembly. In these regard, as noted by the report, the OIOS' sphere of influence is limited. OIOS shall nevertheless, where and when appropriate, take the opportunity to raise to the Secretary-General, the IAAC and the General Assembly, how IED's evaluation work can be further leveraged to improve its overall effectiveness, and the authority with which it is discharged, in the Organization.

OIOS Management Response to Peer Review Recommendations

The attached management action plan provides specific elaboration on how IED will address those recommendations that it accepts.

Appreciation

I would like to take this opportunity to thank the Peer Review Panel Members and advisors, and their respective institutions – the Swiss Agency for Development and Cooperation (SDC), the Norwegian Agency for Development Cooperation (NORAD), the United Nations Development Fund for Women (UNIFEM), and the Food and Agriculture Organization (FAO), for their generous voluntary contribution of time and resources to this very important exercise, and for the professional, serious manner in which the review was conducted. I also would like to express my appreciation for the initiatives of the UN Evaluation Group and the DAC Network on Development Evaluation for establishing this important and useful international peer review mechanism.

Yours sincerely,



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