ANNEXES:
EVALUATION OF UNDP DEVELOPMENT COOPERATION IN MICS

Contents

Annex 1. DETAILED FINANCIAL AND OTHER ANALYSES

(A): TOTAL EXPENDITURE BY COUNTRY AND TERRITORY

No	Country/Territory	Programme expenditures, 2014-2019 (USD)*
Very High Human Development		
1	Argentina	$1,053,967,932
2	Turkey	$187,738,777
3	Kazakhstan	$87,686,924
4	Belarus	$75,222,186
5	Montenegro	$42,357,570
6	Malaysia	$39,230,500
7	Palau	$2,384,946
Subtotal: Very high human development		**$1,488,588,835**
High Human Development		
8	Ukraine	$553,134,311
9	Colombia	$472,274,128
10	Peru	$392,354,210
11	Lebanon	$355,116,123
12	Egypt	$350,532,272
13	Brazil	$316,543,361
14	China	$267,825,941
15	Bosnia and Herzegovina	$253,329,021
16	Dominican Republic	$210,530,119
17	Philippines	$203,843,593
18	Indonesia	$162,081,792
19	Paraguay	$161,042,714
20	Panama	$143,397,827
21	Libya	$138,233,903
22	Mexico	$137,800,466

No	Country/Territory	Programme expenditures, 2014-2019 (USD)*
23	Cuba	$114,744,164
24	Moldova	$113,091,149
25	Georgia	$97,954,668
26	Armenia	$92,607,779
27	Jordan	$92,065,488
28	Serbia	$85,775,378
29	Venezuela	$84,984,415
30	Uzbekistan	$83,677,755
31	Sri Lanka	$83,377,576
32	North Macedonia	$76,510,614
33	Tunisia	$75,459,093
34	Ecuador	$73,665,530
35	Iran	$61,059,647
36	Azerbaijan	$59,800,103
37	Bolivia	$58,305,843
38	Albania	$55,787,908
39	Samoa	$55,232,221
40	Fiji	$53,290,082
41	Turkmenistan	$45,191,838
42	Maldives	$40,444,427
43	Costa Rica	$39,405,309
44	South Africa	$39,148,482
45	Thailand	$35,091,565
46	Mongolia	$33,332,035
47	Mauritius	$31,338,195
48	Botswana	$26,982,848
49	Algeria	$21,827,679
50	Jamaica	$19,955,584

No	Country/Territory	Programme expenditures, 2014-2019 (USD)*
51	Belize	$16,138,636
52	Suriname	$13,730,358
53	Gabon	$11,949,373
54	Grenada	$7,005,816
55	Tonga	$5,197,564
56	Dominica	$4,656,315
57	St. Vincent and the Grenadines	$2,463,244
58	St. Lucia	$969,709
Subtotal: High human development		**$5,930,258,174**
Medium Human Development		
59	Iraq	$1,032,158,529
60	Pakistan	$267,932,671
61	Guatemala	$261,045,325
62	India	$248,713,887
63	El Salvador	$171,299,285
64	Viet Nam	$121,123,661
65	Honduras	$93,792,698
66	Morocco	$74,814,005
67	Ghana	$50,627,381
68	Nicaragua	$37,858,699
69	Namibia	$30,216,742
70	Equatorial Guinea	$27,982,307
71	Guyana	$25,088,618
72	Cape Verde	$22,877,866
73	Congo	$21,857,383
74	Eswatini	$12,667,074
75	Micronesia	$3,312,054
76	Marshall Islands	$2,341,949

No	Country/Territory	Programme expenditures, 2014-2019 (USD)*
	Subtotal: Medium human development	$2,505,710,133
	Low Human Development	
77	Syria	$193,751,741
78	Nigeria	$177,455,965
79	Papua New Guinea	$78,204,703
80	Côte d'Ivoire	$75,100,730
	Subtotal: Low human development	$524,513,139
	No human development classification	
81	Kosovo (As per UNSCR 1244) [1]	$49,085,084
82	Niue	$2,917,208
83	Tokelau	$434,237
84	Montserrat	$285,630
	Subtotal: No human development classification	$52,722,160
	Total programme expenditure	$10,501,792,440

*Source: Atlas, April, 2020

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[1] References to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999)

(B) PROGRAMME EXPENDITURE BY STRATEGIC PLAN 2014-2017 OUTCOMES (MILLION USD)

Strategic Plan 2014 – 2017 Outcome	2014	2015	2016	2017	Total	% of expenditure
Outcome 1 Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded	498.9	469.1	434.7	482.3	1885.0	42.9%
Outcome 2 Citizen expectations for voice, development, the rule of law and accountability are met by stronger systems of democratic governance	147.3	157.3	130.0	145.0	579.6	13.2%
Outcome 3 Countries have strengthened institutions to progressively deliver universal access to basic services	288.0	293.9	270.4	279.5	1131.8	25.8%
Outcome 4 Faster progress is achieved in reducing gender inequality and promoting women's empowerment (programmes which had gender equality as a significant or principal objective)	595.9	617.7	606.6	859.6	2680.0	56%
Outcome 5 Countries are able to reduce the likelihood of conflict and lower the risk of natural disasters, including from climate change	59.5	62.6	65.6	72.6	260.3	5.9%
Outcome 6 Early recovery and rapid return to sustainable development pathways are achieved in post-conflict and post-disaster settings	78.4	74.3	95.7	105.5	353.9	8.1%
Outcome 7 Development debates and actions at all levels prioritise poverty, inequality and exclusion, consistent with our engagement principles	48.7	47.7	32.8	35.4	164.6	3.7%

*Unassigned expenditures and expenditures on organizational effectiveness excluded

(C): PROGRAMME COMPONENTS IN SAMPLE COUNTRIES

Programme component		No. of sample countries with programme
INCLUSIVE GROWTH		
Economic diversification and structural transformation and green growth		11 (23%)
Enterprise competitiveness and MSME support		8 (17%)
SDG support		24 (51%)
Poverty and inequality targeted programmes	Livelihoods and jobs	18 (38%)
	Youth employment	8 (17%)
	Social protection	9 (19%)
	Access and empowerment to vulnerable and marginalized groups	14 (30%)
	Local economic development	11 (23%)
	Nature-based solutions	24 (51%)
Finance for development		4 (9%)
INCLUSIVE AND ACCOUNTABLE INSTITUTIONS		
Election support		19 (40%)
Rule of law, security and human rights		26 (55%)
Modernization of State, Reforms, Decentralization		34 (72%)
Accountability and Transparency, Participation, Anti-Corruption		35 (74%)
Conflict management and transformation, Peace Processes, Democratic Dialogues, Migration		22 (47%)

| Programme component	No. of sample countries with programme
Citizenship and Human Rights	29 (62%)
NATURAL CLIMATE AND ENVIRONMENT, CLIMATE AND ENERGY	
Natural resources management (including forest management and biodiversity conservation)	38 (81%)
Environmental management (including hazardous chemical management)	31 (66%)
Climate change	39 (83%)
Energy	32 (68%)

Annex 2. SOCIAL NETWORK ANALYSIS

A Social Network Analysis (SNA) of SSC initiatives was performed on the ROAR 2017 data to examine the interactions of country offices with the objective of identifying any underlying patterns. This analysis was performed using Kumu, an SNA visualization platform.

The exercise has confronted a couple of limitations. The first one relates to the fact that the list of MICs used for data extraction and analysis was based on the list of 2019 and not 2017. This lead for example to consider India as a MIC while in the ROAR 2017 it was still reported as an LIC. A second limitation comes from some uncertainty regarding the protocol applied by COs to report SSC initiatives in the ROAR. Some initiatives were eventually reported twice, i.e. once by the CO originating the SSC (outflow) and once by the CO receiving the SCC (inflow).

The network was formed after the list of MICs that reported a SSC initiative in 2017. However, some of these initiatives were in direction of LICs and NCC/HICs countries as SSC initiatives that originates from MICs can involve visits or collaboration with partners in LICs or NCC/HICs. The social network built by the 71 MICs that reported SSC initiatives in 2017 involved altogether 172 countries, including 80 MICs hosting or collaborating on SSC initiatives, 48 LICs and 44 NCC/HIC (Figure A1).
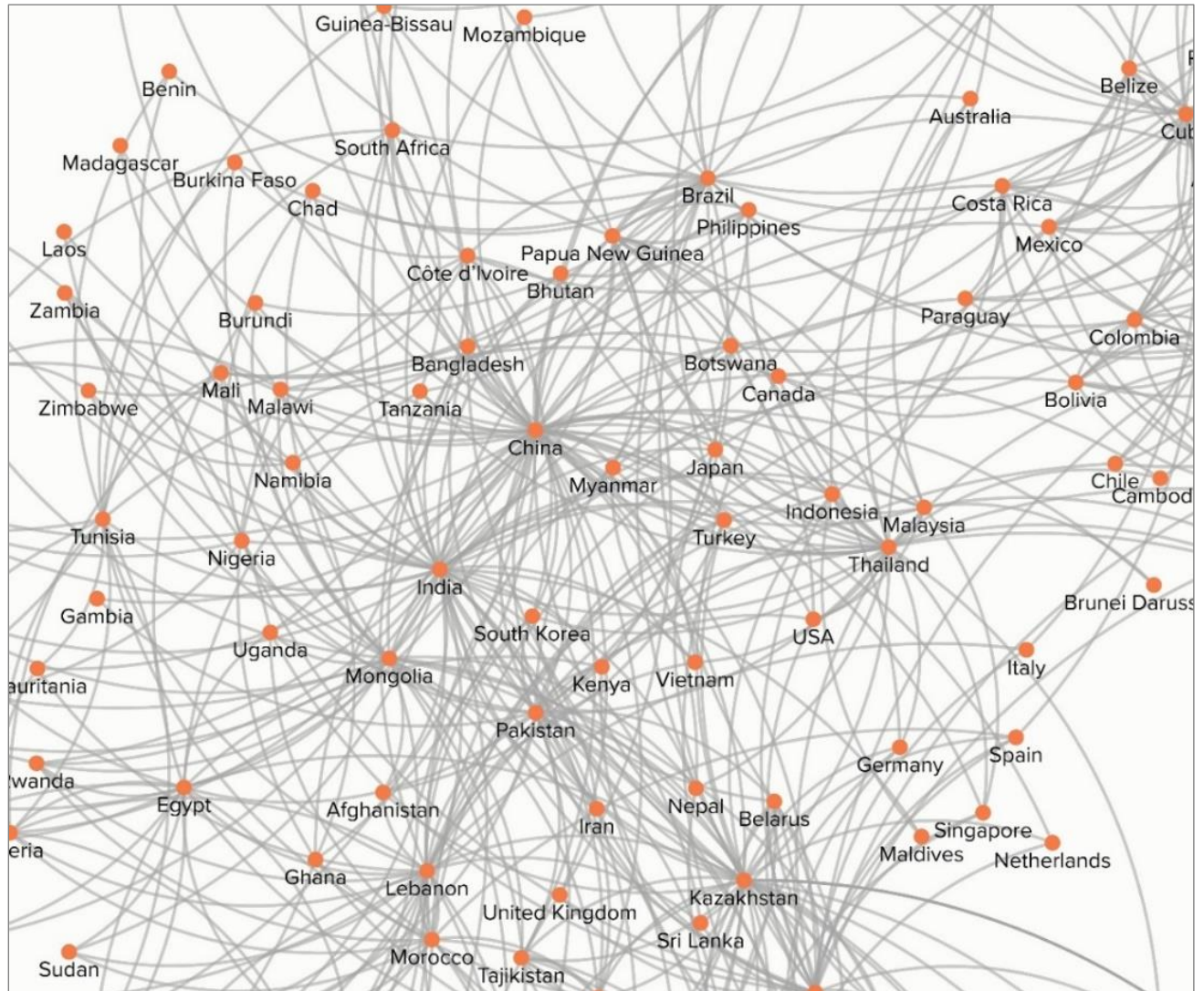
Figure 1: Social Network of UNDP SSC Initiatives
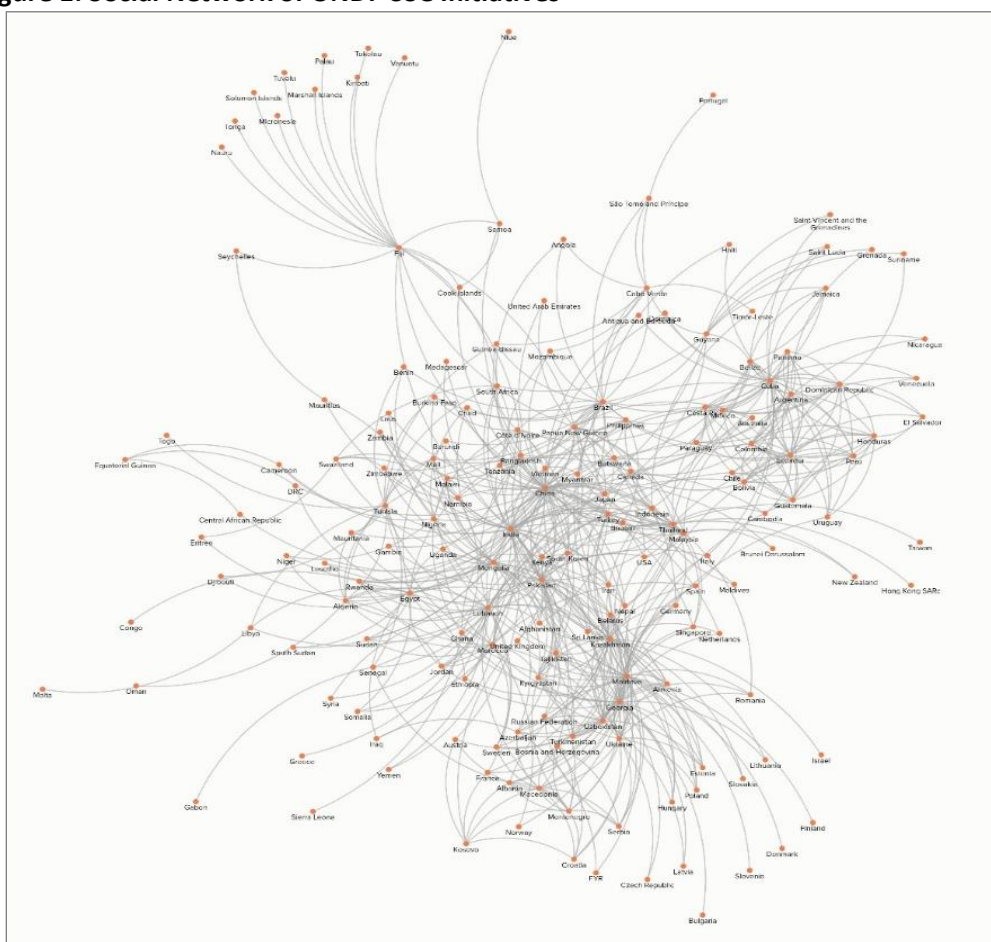
Source: UNDP ROAR 2017; Kumu.

The social network presents a crowded centre (Figure A2) and several blocks or cliques, which are described below.

Figure 2: Central Portion of the Social Network of UNDP SSC Initiatives


Source: UNDP ROAR 2017; Kumu.

The North quadrant of the social network (Figure A3) presents primarily SIDS countries. One clique is connected through Fiji, but SIDS from other regions are also close neighbours most probably as collaborating on similar development topics. One clique is formed by Portuguese speaking countries (e.g. Sao Tome, Cap Verde, Angola, etc.).
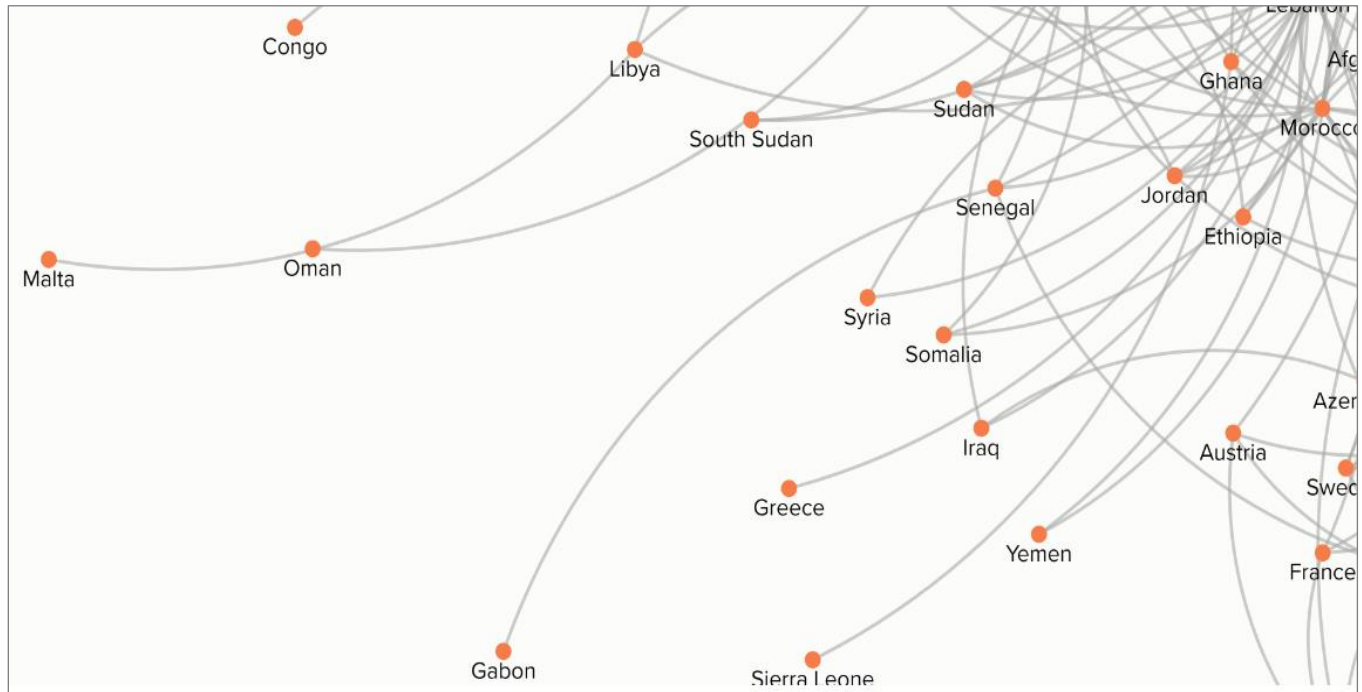
Figure 3: North quadrant of the Social Network

The quadrant on the North-East binds several countries from the Latin American region (Figure A4). Argentina, Brazil and Cuba are some of the countries with many links to/from other countries.

Figure 4: North-East quadrant of the Social Network
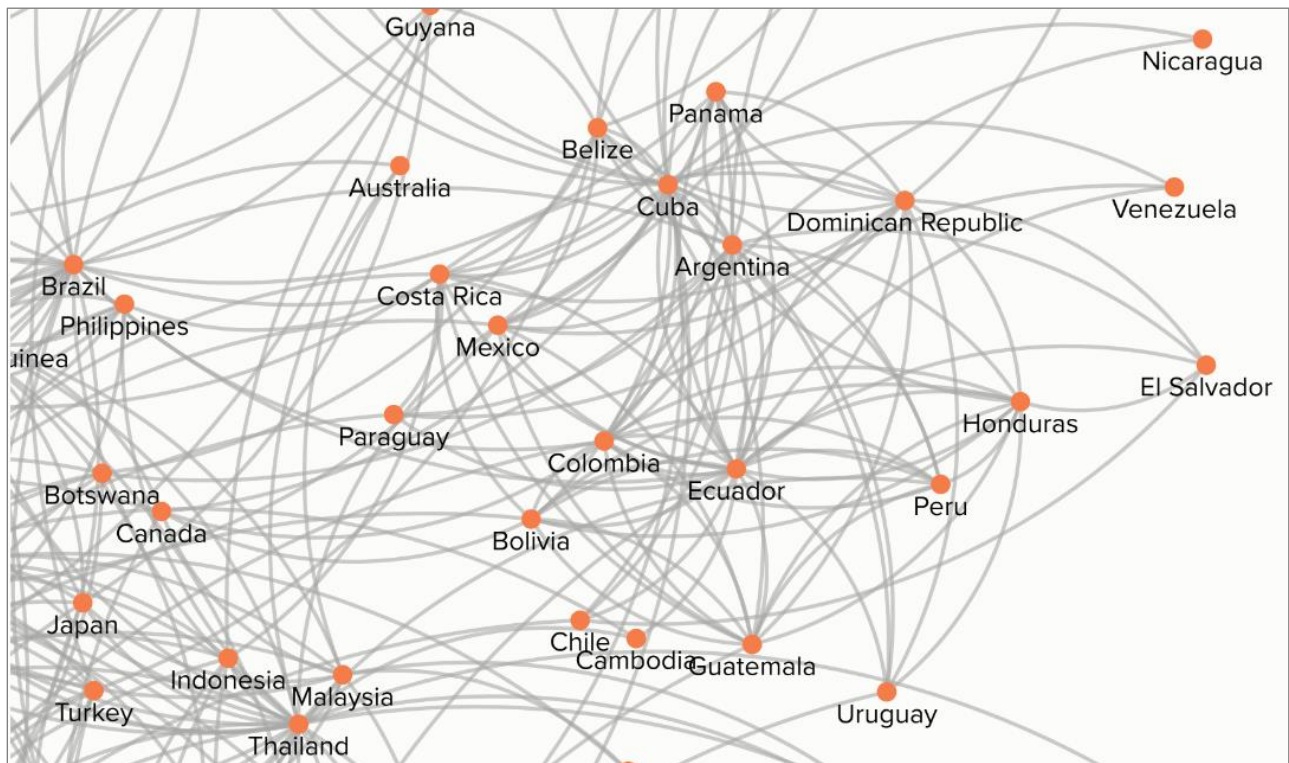
The South-West quadrant (Figure A5) shows proximity between several countries from the Middle-East and North Africa as well as with Greece, eventually due to connections related to SSC on conflict situations and/or migrations. These countries do not necessarily connect directly with each other but eventually through other partner countries or regional programmes.

Figure 5: South-West quadrant of the Social Network

The South-East quadrant (Figure A6) shows countries primarily from the ECIS region. Moldova, Georgia and Ukraine are some of the countries that create strong SSC connections across the region.

Figure 6: South-East quadrant of the Social Network
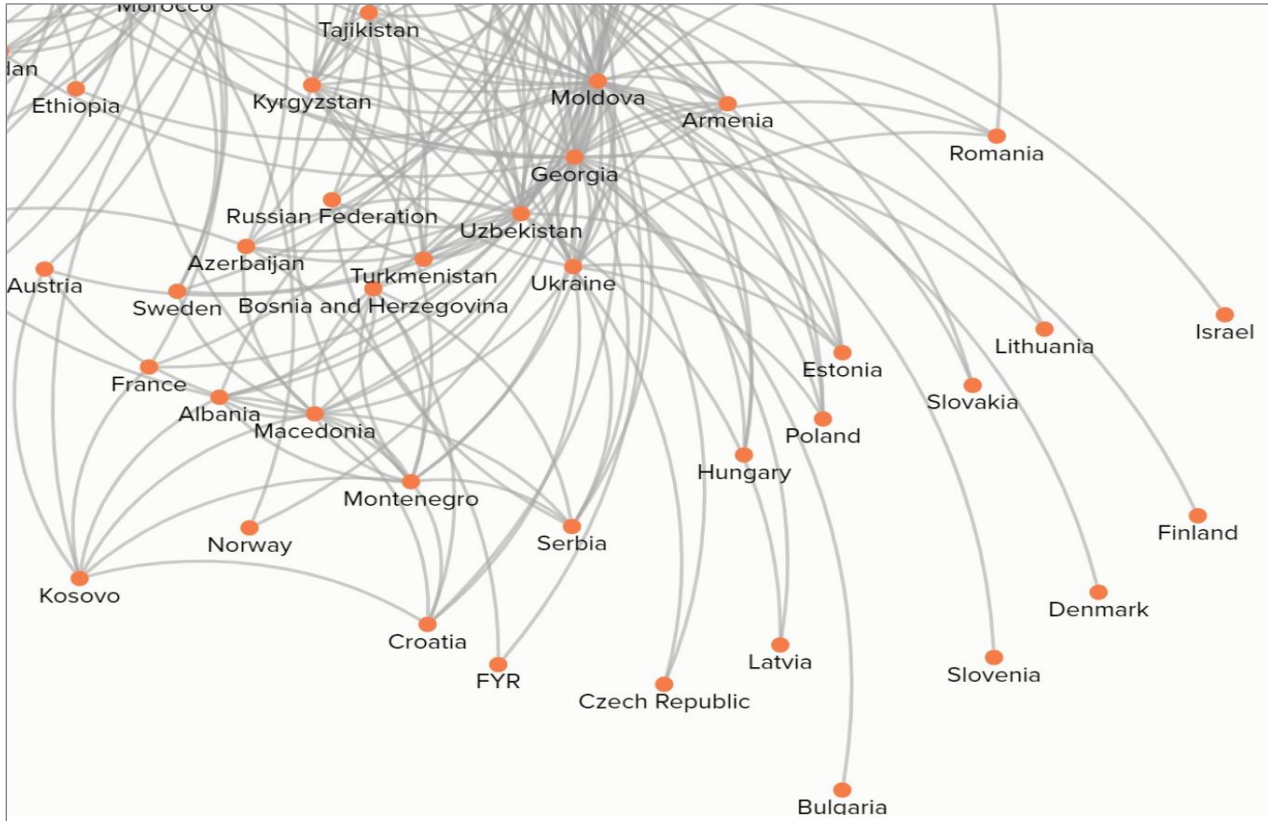
Sub-networks are therefore often based on geographic proximities and other components (e.g. linguistic, thematic, etc.). Several countries connect through third-party initiatives (i.e. through other COs or through regional initiatives). This might be a source of efficiency and effectiveness (network effect, Metcalfe's law) but may hide some missed opportunities. Some countries are highly connected, primarily China, India and Moldova. Moldova reported the highest number of SSC initiatives organized in 2017. China reported receiving/participating in the highest number of SSC initiatives. India appears to be an effective broker or in-between country for sharing south-south experiences and knowledge.

Annex 3. EVALUATION TERMS OF REFERENCE

INTRODUCTION

The Independent Evaluation Office (IEO) of UNDP is carrying out an evaluation of UNDP development cooperation in middle-income countries (MICs). The evaluation is part of the multi-year evaluation plan of IEO (DP/2018/4), approved by the UNDP Executive Board in January 2018.

While the IEO has conducted many country programme evaluations in specific MICs and several thematic evaluations are relevant to UNDP's role in the MICs, there has not been a comprehensive evaluation of UNDP's performance and value proposition in these countries. Similar to all evaluations undertaken by IEO, this evaluation has two main purposes:
- to enhance accountability to the Executive Board, programme countries and other stakeholders;
- to inform UNDP's engagement in the MICs through actionable forward-looking recommendations.

The primary users of the evaluation are the UNDP staff at all levels and UNDP Executive Board. The evaluation will be presented to the Executive Board at the second regular session in September 2020.

BACKGROUND

DEFINITION AND CHARACTERISTICS OF MICs

UNDP works in 170 countries and territories around the world in five UNDP-designated regions.[2] Of these 107 are MICs, based on the World Bank's income classification.

Among the plethora of systems classifying countries by their level of development the income classification, widely used by bilateral donors and international agencies including UNDP,[3] takes precedence over the other attempts to classify countries using socioeconomic indicators since the latter are for the most part highly correlated with income.[4] The World Bank currently defines MICs as those countries having per capita GNI ranging from USD 1,026 to USD 12,375,[5] and there 107 countries in this category, of which 60 are classified as upper-middle income countries (UMICs) and 47 as lower-middle-income countries (LMICs) with a breakpoint of per capita GNI USD 3,995 (WB, 2020 fiscal year). However, the evaluation adopts UNDP's country classification system, and excludes those MICs that are also considered as least-developed countries (LDCs) by the United Nations. Currently, there are 84 countries under UNDP's MIC category.[6]

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[2] Regional Bureau for Africa (RBA); Regional Bureau for Asia and Pacific (RBAP); Regional Bureau for Arab States (RBAS); Regional Bureau for Europe and the CIS (RBEC); Regional Bureau for Latin America and Caribbean (RBLAC)

[3] UNDP uses a modified World Bank GNI method to determine eligibility for and allocation of its regular resources.

[4] Fernando Gabriel Im and David Rosenblatt, 2013

[5] The classification is revised once a year on July 1. More details about the World Bank's methodology based on the Atlas method is on https://datahelpdesk.worldbank.org/knowledgebase/articles/378834-how-does-the-world-bank-classify-countries

[6] See: Annex A to the UNDP integrated resources plan and integrated budget estimates for 2018-2021 (Annex A to DP/2017/39, October 2017).

The MICs have been the subject of intense debates in international development discourse since the 1990s. The discussion revolved around how donors and bilateral development agencies should engage with MICs given the level of development these countries have attained. MICs have realized a certain level of institutional capacities and/or domestic and international financial resources and as result have seen withdrawal of ODA. Eligibility for ODA is largely based on average national income[7]

MICs have common characteristics including relatively high economic growth, access to private capital and investments and, on a less positive note, significant domestic inequalities. There is also significant diversity among the MICs, which can be viewed from multiple angles. Within the income classification used to distinguish the MICs, the range of per capita GNI is very broad and includes at the top countries with per capita GNI of USD 11,040 and 10,930 (Costa Rica and Turkey respectively), while at the other end of the spectrum the per capita GNI ranges from USD 990 and USD 1,100 (Tajikistan and Mauritania respectively). The economic growth pattern of MICs similarly defies unified categorization. On reaching middle-income status some countries have stalling growth while others present limited but positive and steady growth indicating that the group is not homogenous in the potential of its members to climb the ladder to the stage of HICs, and therefore presents a different economic resilience and financial vulnerability in an interconnected and globalized economy. While MICs have generally experienced substantial gains in other domains of human development such as education, health and other dimensions of living standards, country and within population group heterogeneity is perceptible. Despite significant improvements in Human Development Index, some MICs, particularly the more populous countries have growing disparities between the various sections of the population with significant proportions of the population remaining vulnerable to slipping back into poverty as they live just above the poverty line. Many UMICs tend to have higher GINI index (above 0.4 and 0.5) relative to LMICs and LICs.

The MIC group is home to 75 percent of the world's population and accounts for one-third of global GDP, as well as 62 percent of the world's poor, making them important contributors to global pubic goods in key areas such as poverty reduction, economic and financial stability and environmental sustainability.[8] Due to the heterogeneity of MICs, the United Nations has called on the international community to address the diverse and unique development needs of MICs, and not to employ a "one size fits all" approach to development.[9]

The slower development curve, after reaching a specific income level has infamously led to the concept of the "middle-income trap" based on the observation that the MICs often get stuck in moving up the income ladder after attaining a certain level, due to loss of competitive edge. The countries become victims of such a trap and remain in the MICs category for decades. They are not able to graduate to high-value-added markets since their resource-driven economic growth is dependent on cheap labor and capital.[10] Such countries have low investment ratios, slow manufacturing growth, limited industrial diversification, slow technological adaptation, incomplete structural transformation and poor labor market conditions - all conditions that make them prone to slipping back if the current equilibrium is upset. The transition from MIC to HIC will not be driven by the same factors that enabled countries to graduate from LIC status. The experience of newly industrializing economies demonstrates that

[7] OECD DAC, 2014. See: United Nations, Development Initiatives and UK Aid: "Improving ODA allocation for a post-2015 world". 2016

[8] World Bank: https://www.worldbank.org/en/country/mic/overview. Updated November 2019

[9] UN General Assembly: "Development cooperation with middle-income countries" (A/C.2/70/215). 2015

[10] Fernando Gabriel Im and David Rosenblatt, "Middle-Income Traps: A Conceptual and Empirical Survey." Policy Research Working Paper 6594, World Bank. 2013

innovation, human capital and infrastructure were key factors in their quicker transition from MIC to HIC status.[11]

Of concern is the fact that vulnerability to risks does not diminish with economic growth. MICs constitute the majority of fragile countries (30 countries out of 58),[12] and in 2017, 51 percent of all humanitarian funds were requested by the United Nations for crises in MICs.[13] It is important to highlight that negative shocks and slowdowns on growth are the main ingredients for the "downgrades" of MICs. For example, the Human Development Index of Libya and Syria shrank by 14 and ten percentage points respectively between 2011 and 2016.[14] Moreover, national capacities for disaster risk management and social safety net provision may not expand in step with diminishing aid flows, putting some MICs at risk of falling back.

MICs must embrace more sustainable development to curb their vulnerability to natural hazards and environmental and climate shocks. It is widely acknowledged that economies cannot continue to grow with the same consumption and production patterns[15], because intensive resource use is associated with waste and emissions and growing environmental impacts[16]. There is also a clear upward trend in MICs in the level of exposure to natural hazards and climate risks because of the expansion of human settlements and investments in vulnerable locations. The concern for many MICs is mobilizing sufficient resources to reduce disaster risks, mitigate and adapt to climate change impacts as well as ensuring sustainable and resilient infrastructure.[17]

UNDP PROGRAMMING IN MICS

The 2030 Agenda and its 17 Sustainable Development Goals (SDGs) was adopted in 2015 by all countries of the United Nations. The SDGs are global and universally applicable, taking into account national contexts, levels of development and specific challenges. Countries pledged to Leave No One Behind by committing to fast-track progress for those furthest behind first. The SDG agenda integrates the three dimensions of sustainable development – economic, social and environmental, recognizing that today's development challenges cannot be dealt in isolation and call for integrated solutions. The way countries work and the solutions they develop to address challenges such as climate crisis, rising inequalities and protracted conflict must be integrated.

The UNDP Strategic Plan 2018-2021 commits the organization to provide support to countries in the context of the SDGs. It sets the overall direction of UNDP support to programme countries, highlighting the organization's role in supporting country-led efforts for achieving the 2030 Agenda, including SDGs and related agreements.[18] The Strategic Plan sets out three broad development outcomes that UNDP aims to contribute to: (a) poverty eradication; (b) accelerated structural transformations; and (c) strengthened resilience to crises and shocks – outcomes that are relevant for all partner countries. The Plan also outlines

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[11] Asian Development Bank, "Asia Middle-Income Challenge: An Overview." 2017

[12] OECD, States of Fragility Report, Highlights. 2018. This classification is 5-dimensional measures accounting for exposure and limited coping capacity to societal, economic, political, environmental and security risk.

[13] UNOCHA
[14] UNDP, Human Development Report. 2017
[15] UNRISD," Global trends Challenges and Opportunities in the Implementation of the Sustainable Development Goals", 2017
[16] UNEP, Sustainable Consumption and Production: A Handbook for Policymakers: Global Edition. Nairobi. 2015
[17] UNRISD," Global trends Challenges and Opportunities in the Implementation of the Sustainable Development Goals", 2017
[18] Addis Ababa Action Agenda of the Third International Conference on Financing for Development; Paris Agreement; Sendai Framework for Disaster Risk Reduction; New Urban Agenda; Beijing Declaration and Platform for Action

six Signature Solutions that define UNDP core areas of work. These solutions which reflect the programmatic areas of work from the previous Strategic Plan 2014-2017 include poverty, governance, resilience, environment, energy access and gender equality. They can be combined and adapted to respond to the different development settings using a mix of policy advice, technical assistance, finance and programmes. Being fully aligned with the 2030 Agenda, the Strategic Plan recognizes that no one solution will succeed on its own and different combinations of Signature Solutions are needed to achieve the SDGs. The Integrated Results and Resources Framework of the Strategic Plan incorporates relevant SDG indicators as impact and outcome indicators. The Strategic Plan also includes as part of its SDGs implementation offer, country support platforms and a global advisory and implementation services platform to support governments to design and implement integrated solutions and to provide a platform for the UN and other partners to operate.

UNDP is well placed to help countries implement the SDGs through its work in the 170 countries where it is present. UNDP's global strategic presence is predicated on the recognition that while there are obvious development challenges in LDCs and crisis countries, the MICs and HICs may also have unfinished development agenda, including but not exclusively, pockets of poverty and high spatial, income and gender inequality. This emphasis on universality builds on concepts in international agreements and commitments, including the 2030 Agenda for Sustainable Development (A/RES/70/1) which emphasizes that the Member States of the United Nations "wish to see the goals and targets met for all nations and peoples and for all segments of society". Notably, the shift from the MDGs to the SDGs is characterized by the identification of goals to be achieved by all signatories regardless of economic status.

UNDP classifies countries into three categories: LICs, MICs and net contributor countries (NCCs) for purposes of regular resources distribution.[19] As legislated by the UNDP Executive Board, the organization's regular resources are focused primarily to LICs and LDCs (85 to 91 percent). MICs are also eligible to receive UNDP regular resources for programmatic activities in line with UNDP mandate (15 to 9 percent), with differentiated allocation criteria between lower and upper tier MICs.[20]

UNDP's programme expenditures in the 83 MICs where it is present amounted to over USD 10.7 billion for the period 2014-2019 (Feb. 2020), representing approximately 59 percent of UNDP's programme expenditures. Expenditures by SDGs are concentrated on three broad clusters of goals: governance (goal 16) accounting for 26 percent of total expenditures in 2019; poverty cluster (goals 1, 8, 10) accounting for 21 percent and planet cluster (goals 13, 14, 15) accounting for 12 percent. SDG 3 on health and wellbeing also reflects significant expenditures (10 percent).[21]

MICs have low access to UNDP regular resources (core resources) and in the period 2014-2019, these accounted for only 9 percent (1.1 billion) of expenditures. Despite this restriction, programme sizes in some MICs are very substantial, with contributions from programme countries to projects in their own countries (government cost-sharing) taking on greater significance in some regions. The largest proportion of expenditures in MICs (48 percent) are from bilateral and multi-lateral non-core contributions, followed by 36 percent from government cost-sharing and 14 percent from vertical funding mechanisms (GEF, GFATM, GCF). Country programmes receiving the highest proportions of government cost-sharing are

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[19] Some countries are also granted LDC status by General Assembly resolutions. Note that 15 of the LMICs fall in the United Nations Least Developed country list.

[20] UNDP has a threshold of per capita GNI USD 6,660 to separate lower and upper MICs. Those countries with per capita higher than USD 6,600 receive less regular resources.

[21] UNDP: https://open.undp.org/sustainable-development-goals. Accessed, February 2020. Note these figures are not MICs-specific and represent expenditures in all countries.

Argentina, (95 percent of expenditures received as government cost-sharing), followed by Peru (75 percent), Ukraine (69 percent), Brazil (55 percent) and Colombia (53 percent). Annex 2 provides more information on expenditures.

Discussions aimed at better positioning UNDP in the MICs have been ongoing since the early 2000 and were initially framed around the Organization's principle of universal presence, particularly in the context of the programming arrangements which deal with the distribution of regular resources to programme countries. Although the programmeing arrangements were enacted in 1995[22], the subject of the MICs was not broached until 2007, when the UNDP Executive Board called for a review of the programme arrangments. This review, conducted in 2009 highlighted the need for UNDP to demonstrate greater flexibility and responsiveness to meet the demands of a dynamic spectrum of countries with diverse development challenges. Among others, the review specifically called for "improving the availability of a critical mass of programme resources for middle-income countries" (DP/2010/5). Besides these discussions at the Executive Board, multiple regional bureaux and country offices embarked on consultative processes analysing changes in the context and aiming to define regional/country-specific MIC strategies. Some of these consultations took place in the context of the Agenda for Organizational Change process, initiated in 2011 with the aim of reforming the organization so that it is "fit for purpose." One of the expected outcomes of the Agenda under the "improved organizational effectiveness" pillar was "a differentiated country typology business model to guide resource allocations and the best configuration of knowledge, policy, programme and corporate services to support effective delivery at the country level."[23]

EVALUATION OBJECTIVES AND SCOPE

The objectives of the evaluation are to:

a. Assess the performance of UNDP support to MICs, taking into account their wide diversity of development conditions and needs;
b. assess UNDP's contribution to the MICs through selected practice areas/signature solutions;[24]
c. identify the factors affecting UNDP's positioning and engagement in the MICs, and generate lessons learned.

These objectives need to be placed within the over-riding purpose of the evaluation (as noted in Section 1 above), which is to enhance accountability and inform future positioning, programming and operations. In this respect, although the evaluation will inevitably adopt a retrospective approach, evaluating what has already been done, its prime benefit to UNDP will be through its compilation, assessment and systematic presentation of the key lessons learned (or to be learned), which can be turned into recommendations for future UNDP approaches and actions.

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[22] See decision 95/23. UNDP followed the indicative planning figure system before 1995
[23] UNDP, "An Agenda for Organizational Change: Lifting UNDP performance from Good to Great." April 2011.

[24]These are: keeping people out of poverty; governance for peaceful and just societies; environment and nature-based solutions for development; clean, affordable energy; and strengthening gender equality. Since IEO is simultaneously conducting a thematic evaluation of UNDP's contribution to disaster risk reduction in vulnerable countries, the MICs evaluation will not cover the area of prevention and recovery capacities for resilient societies, relying on this other evaluation to draw out findings on the climate and resilience work of UNDP in MICS.

The evaluation will assess UNDP's contributions against the Strategic Plans objectives in five UNDP's practice areas/signature solutions. These are keeping people out of poverty (SDGs 1,8,10, 17); governance for peaceful and just societies (SDG 16); environment and nature-based solutions for development (SDGs 13, 14, 15, 17) ; clean, affordable energy (SDG 7); and strengthening gender equality (SDG 5). It should be noted that UNDP's work cuts across all the SDGs.

The evaluation seeks to shed light on some of the differences between how UNDP operates in LDCs and MICs. It will attempt to gauge the extent to which core funding (and lack thereof), and extent of government cost-sharing affect UNDP programming.

The evaluation will cover the first two years of the current UNDP Strategic Plan 2018-2021 and the four years of the previous Plan, i.e. 2014-2017. Whilst this period of six years will be examined in detail, the evaluation will incorporate a longer term perspective when considering the context within which UNDP operates. The evaluation will examine UNDP's responses to Executive Board's decisions on MICs which date back to 2007.

The evaluation will cover support to MICs in all five UNDP regions. To better capture the vast heterogeneity within the MICs group in terms of development levels and needs, the evaluation will, in its analysis sort the MICs group using the UNDP's Human Development Index (HDI) which clusters countries into four categories: very high human development; high human development; medium human development; and low human development. The HDI captures inequality in the country's average achievements in health, education, and income and can serve the purpose of illustrating the differences between countries on multiple socioeconomic variables.

EVALUATION APPROACH AND METHODS

Table 1: Evaluation questions

Evaluation Parameter	Key Question and Supporting Questions
UNDP positioning	**Key Question 1:** To what extent has UNDP been able to position itself for its presence and work in MICs?
Supporting Questions for Key Question 1	• To what extent did UNDP adopt flexible, targeted and differentiated approaches tailored to the diverse development contexts in MICs? • What differences are there, if any, between UNDP's strategies and programmes in MICs vs. other country categories? • What are UNDP's comparative strengths and value added in MICs with regard to its mandate of sustainable development?
UNDP contributions to development results	**Key Question 2:** What are the major contributions of UNDP in support of sustainable human development?
Supporting Questions for Key Question 2	• How effective have UNDP programmes and strategies been in strengthening national policy and institutional capacities in support of sustainable development in MICs? • What factors have influenced UNDP's engagement and effectiveness in MICs?

Business model (defined in the SP as contribution of systems, processes and instruments to enable delivery of the Strategic Plan)	**Key Question 3:** How effective is the UNDP business model for its successful engagement in MICs?
Supporting Questions for Key Question 3	• How responsive has the UNDP business model been to changing national capacities of the MICs? • What are the factors in the performance of UNDP business model in MICs?
Partnerships and coordination	**Key Question 4:** To what extent has UNDP fostered strategic partnerships and networks with other key development actors to enhance contributions to sustainable development in MICs?
Supporting Questions for Key Question 4	• To what extent has UNDP leveraged its convening role to promote multi-stakeholder dialogue and consensus for integrated approaches and solutions to development challenges in MICs? • How well did UNDP work with other UN agencies to implement the UN Strategy for MICs? • What is the role of UNDP in facilitating transfer of knowledge, technical expertise and innovation through South-South and triangular cooperation at regional and global levels?

DATA COLLECTION

The evaluation approach will utilise multiple methods and sources to collect evaluative evidence on UNDP's performance in MICs. A multi-stakeholder approach will be adopted to gather the views and perspectives of a range of development actors at HQ, regional and country level. Documentary review and portfolio analysis will provide separate data streams and analytical perspectives, which will be triangulated with those from primary sources. To facilitate its conduct, the evaluation will be divided into four main components, some of which will be implemented sequentially, while others will run concurrently, during different phases of the evaluation.

Phase 1: Preparatory and Inception *(Output: Inception Report and Final ToRs)*

- **Internal consultations:** IEO will carry out in-house discussions and workshops with senior management and relevant stakeholders to help frame the evaluation questions and confirm the overall TORs. Consultations will focus on understanding the nature of UNDP's work in MICs and its different approaches and strategies.
- A **Portfolio Analysis** will be carried out to describe the main features of UNDP's portfolio in the 83 MICs where it is present. This will draw upon internal data sources as available, potentially including UNDP's results-based management system, the integrated results and resources framework (IRRF) and UNDP's financial management system (Atlas enterprise resource planning system). Initial work of this analysis is presented in ANNEXs 2 and 3.
- **Preparation of Inception Report:** Drawing on issues emerging from IEO's preliminary discussions within UNDP and detailed re-assessment of the preliminary ToR (October 2019 version) in the light of

available resources, an Inception Report will be delivered to provide guidance to the evaluation and to inform interested parties how it will be conducted.

Phase 2: Desk Review *(Output: Desk Review and Meta-analysis Report)***:**

- A **Desk Review and Meta-analysis** will cover a sub-sample of country programmes to collect information on UNDP's level of effectiveness and strengths and weaknesses in these countries. It will review a wide range of UNDP's strategy, guidance and programme-specific documents, including Executive Board documents, country programme documents, project documents and reports, annual reports (ROARs), and evaluations and audits. In addition, relevant UN strategies, reports and national development strategies and publications will be reviewed as deemed necessary for the assessment. The meta-analysis will consist of a review of recent evaluations including 37 country programme evaluations conducted by IEO between 2014 and 2019, IEO corporate/thematic evaluations and a selected number of decentralized evaluations conducted in relevant MICs, including those selected for the case studies.

- This phase will also attempt to prepare a retrospective Theory of Change, which will inform the evaluation's analysis of UNDP's work in MICs. However, this will require a cautious approach. Whilst a detailed Theory of Change document accompanies the Strategic Plan 2018 - 2021, it would be extremely challenging to use either the overall "results architecture" or even the individual outcome "Solution Pathways" from this document in the MICs evaluation, since their data requirements could not be met with the available resources. For a Theory of Change to be useful to the MICs evaluation, it would need to be relatively simple and susceptible to analysis using the relatively limited data generated from its various evaluation methods.

- This component will focus on collecting evidence on the four Key Evaluation Questions, placed within an analytical framework based on the retrospective theory of change.

- As well as its presentation of emerging evidence, the review and meta-analysis will provide an assessment of the potential range and quality of the secondary data available for use by the MICs evaluation, including an identification of key gaps and design of the country case studies.

Phase 3: Data Collection *(Output: Survey and Country Case Study Reports)*

- **Survey of UNDP stakeholders including country offices and Member States** in New York and in the different countries. The survey will focus on information gaps identified by the review and meta-analysis phase, collecting feedback on UNDP's role (anticipated vs actual), contributions and strategic positioning. Countries included in the meta-analysis will be covered by the surveys to identify how they utilize UNDP support.

- **Country case studies** for 13 country programmes in MICs to provide in-depth insights on the contributions of UNDP's engagement in MICs and the factors influencing its performance. Country selection will be based on several criteria, including: i) coverage for all five UNDP regions, ii) programme size (level and source of expenditures), iii) coverage of selected UNDP's areas of work, iv) coverage of countries with different income classification (Lower MIC and Upper MIC), human development categories (low, medium, high) and inequality levels.

Country Case Study Methods
- Data and evidence for the case studies will be collected using several methods, including: i) a portfolio analyses of main projects in the country: ii) document review of UNDP programme documents and government strategies in the country; and iii) in-country visits for interviews (including the possibility

of group discussions) with UNDP staff and main UNDP in-country partners. A particular effort will be made to identify and include programmes on innovation and new programme approaches such as impact investment and public-private partnerships, given their importance in the Strategic Plan 2014-2017 and new Strategic Plan 2018-2022.

Country Case Study Selection

- Country Case Study selection will reflect the predominance of MICs in various regions. Except for the Africa region, UNDP programme countries under the other four regional bureaus are predominantly MICs. The Regional Bureau for Latin America and the Caribbean is comprised of 33 countries, of which all but one is MIC. Similarly, most programme countries in the Regional Bureau of Europe and the Commonwealth of Independent States, and the Regional Bureau for Asia and Pacific have attained middle-income status. The Regional Bureau for Arab States is home to high, middle, and low-income countries, each with a different approach when it comes to pursuing development pathways. In the Regional Bureau for Africa, 12 out of 45 programme countries are MICs. Despite commonalities associated with middle-income status within each of these broad regions, there is also strong sub-regional heterogeneity, to which UNDP programmes must respond. The proposed selection of case study countries in Table 2 may be subject to revision based on outcomes of further desk review.
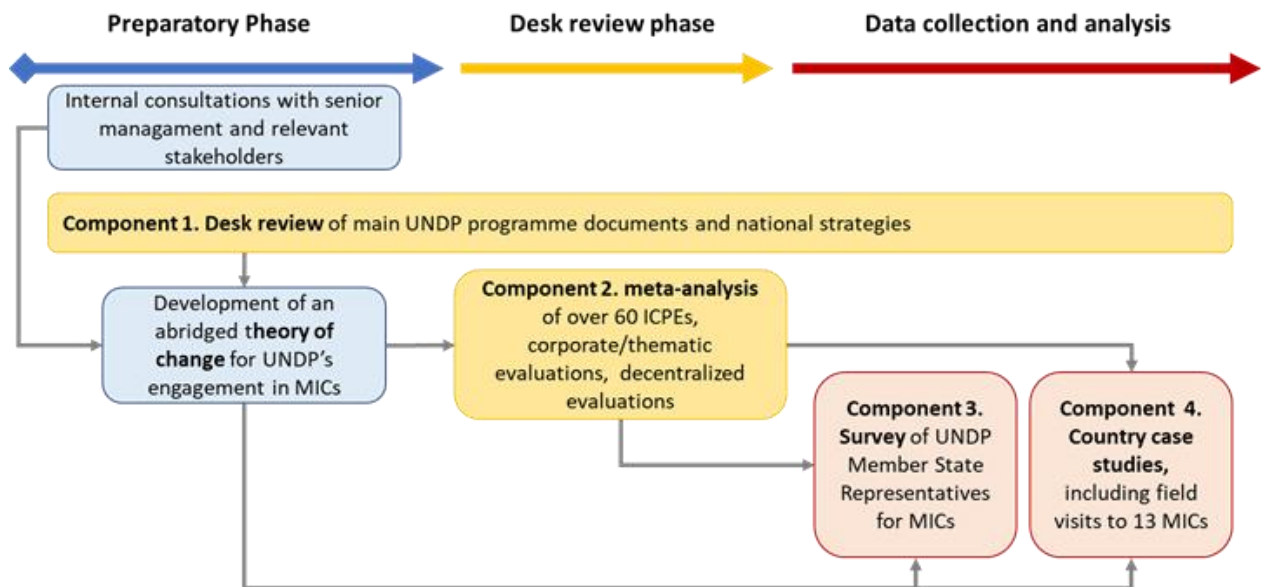
Figure 7. Methodological approach diagram

Table 2. Countries selected for in-depth review[25]

Human Development Index Classification	Case study countries	Desk review countries
Very high	Malaysia, Montenegro, Argentina	Belarus, Kazakhstan, Turkey, Chile,* Uruguay*
High	Botswana, Egypt, Mongolia, Dominican Republic, Jamaica, Panama	Gabon, Maurituis, Jordan, Lebanon, Tunisia, China, Maldives, Indonesia, Phillipines, Albania, Armenia, Azerbaijan, Georgia, North Macadenia, Serbia, Uzbekishtan, Colombia, Mexico, Paraguay
Medium	Honduras, India	Congo, Equatorial Guinea, Eswatini, Namibia, Morocco, Pakistan, Vietnam, El Salvador, Guatemala
Low	Cote d'Ivoire, Nigeria	
No value		Kosovo (As per UNSCR 1244)

*Currently high-income countries; transitioned from MIC in 2018
HDI data is from the Human Development Report 2019

DATA ANALYSIS
The mixed methods of data gathering will be matched with appropriate analytical approaches. These will include:

- **Portfolio analysis**

Portfolio analysis will explore the scale of UNDP portfolios in MICs according to a number of key characteristics, such as:
- Region
- Population size
- Portfolio size
- Source of funds
- Role of UNDP (e.g. project delivery, technical adviser, procurement management).
- Changes in portfolio during the period covered (e.g. scaling up or down).

- **Desk Review and Meta-analysis**

The desk review and meta-analysis will be guided by one or more data gathering templates, which will enable data to be gathered economically according to pre-set categories. This will enable simple quantitative and qualitative analysis to be undertaken to outline key details of the activities of UNDP and its partners at various scales (e.g. global, regional, national) and levels (e.g., policy, strategy, programme implementation, projects, etc.); as well as their effects, primarily organized around the Key Evaluation Questions.

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[25] Since IEO is simulateniously conducting an evaluation on UNDP's support to conflict prevention and recovery, the MIC evaluation excludes conflict-affected countries.

- **Survey Analysis**

Surveys will be analyzed using a variety of qualitative and basic quantitative methods to explore the range of prevalence of experiences and opinions, as well as narratives supporting these.

- **Qualitative interview analysis**

Qualitative interviews will be analyzed using manual or computerized content analysis, highlighting key experiences and opinions and, as far as possible, their prevalence among different categories of stakeholder.

- **Country case studies**

Country case studies will be analyzed using the range of methods outlined above for specific research instruments, since they will incorporate such elements as portfolio analysis, desk review, possibly small surveys and qualitative interviews (including group discussions).

- **Triangulation**

The broad range of data gathering and analysis methods provides strong opportunities for triangulation, under which findings from different methods and sources will be compared to assess the extent to which their results confirm one another, or suggest that different strands of evidence are revealing varying aspects of the complex UNDP experience in MICs. This process is essential to ensure a comprehensive and coherent understanding of the complex data sets, which will be generated by the evaluation.

- **Use of Theory of Change**

The evaluation team will prepare a preliminary retrospective Theory of Change for UNDPs work in MICs. This will outline the ultimate objective of this work and pathways through which long-term results are expected to de delivered, with a focus on UNDP's contribution. Data will be analyzed within this overall Theory to explore the extent and drivers of progress towards the intended outcomes and, as possible, impacts. The theory of change will be discussed with and affirmed by programme managers.

PERFORMANCE ASSESSMENT

The evaluation will use rubrics to standardize the assessment of UNDP's performance under four main criteria: positioning of UNDP, contributions to results, business model, and partnerships and coordination. To facilitate the evaluative reasoning and analysis, the evaluation criteria will be rated on a four-point scale (see Table 4). This rubric will enable a simple, standardised and objective summary of the overall analytical findings from the different methods and sources of the evaluation. Survey and case study countries will be rated using this the rubric.

Table 3. Rubrics used to assess UNDP's performance in MICS

Evaluation criteria/ parameters	Description of rubric
Programme positioning	4 = Key government institutions and development partners consider UNDP a major player for policy debate and advocacy on inclusive sustainable development and democratic governance 3 = Key government institutions and development partners consider UNDP among the leading players for policy debate and advocacy on sustainable development but not a major one 2 = Key government institutions and development partners consider UNDP a minor player for policy debate and advocacy on sustainable development 1 = Key government institutions and development partners do not consider UNDP a player for policy debate and advocacy on sustainable development
Contribution to development results	4= Excellent: outcomes exceed expectations. UNDP contributions to long-term development results are identified, such as a change in policy approach and the development of large-scale budgeted programmes. 3 = Good: some limitations in the contribution of UNDP programmes that prevented an 'Excellent' rating, but there were no major shortfalls. Overall, the assessment is substantially positive, and problems were small relative to the positive findings. UNDP contributed to intermediate results, such as policy dialogue, multi-stakeholder consensus, capacity building, piloting of innovative solutions, etc. 2 = Modest: significant shortfalls are identified, but there were also some immediate positive findings. Overall, the assessment is less positive. 1= Poor: severe constraints were faced, and negative assessment outweighs any positive achievements. Overall, UNDP has not (yet) contributed to any results.
Business model in MICs	4 = UNDP business model was fully tailored and adapted to MIC context and changing national capacities 3 = UNDP business model was partially tailored and adapted to MIC context and changing national capacities 2 = UNDP business model was marginally tailored and adapted to MIC context and changing national capacities 1 = UNDP business model was not tailored and adapted to MIC context and changing national capacities
Partnerships and coordination	4 = Excellent. UNDP has engaged/fostered effective partnerships with key development partners 3 = Good. UNDP has engaged/fostered partially effective partnerships with key development partners 2 = Modest. UNDP has engaged/fostered marginally effective partnerships with some key development partners, and has had very limited engagement with non-traditional partners 1 = Poor. UNDP has not (yet) engaged with key development partners

EVALUATION TIMEFRAME

The evaluation will be presented to the second regular session in September 2020 and prior to that at an informal Executive Board session in late August 2020. A draft report will be shared with UNDP Management and programme units in May 2020. Tentative milestones are presented in Table 4 below.

Table 4. Evaluation Timeframe

Activity	Due date
Phase 1: Preparatory work	
Draft TOR approval by the Independent Evaluation Office	Aug 2019
Draft ToR dissemination and review	Sept-Oct
Recruitment of external evaluation team	Oct-Nov
Inception phase and Report	Nov-Dec
Phase 2: Desk review and meta-analysis	
Desk review and analysis of relevant literature, corporate reports, evaluations and other information	Nov-Dec
Preparation of meta-analysis/desk review reports	Dec- Jan 2020
Phase 3: Data collection and validation	
Field work for data collection in selected case study countries	Feb – Mar 2020
Phase 4: Analysis and report writing	
Analysis and Synthesis	Mar – April
Zero draft for clearance by IEO and EAP	May
First draft for UNDP Management	May
Comments from UNDP Management	June
Final draft for UNDP Management	June
Phase 5: Executive Board presentation	
Executive Board Paper submission	June
Executive Board presentation	Sept 2020