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Foreword

The United Nations Development Programme (UNDP) has long served as a cornerstone of the international development architecture, guiding countries through evolving landscapes of global challenges opportunities. The UNDP Strategic Plan 2022-2025 was conceived in response to a world marked by deepening challenges of inequality, climate crises, geopolitical tensions, and persistent vulnerabilities exacerbated by the COVID-19 pandemic. Within this complexity, the Strategic Plan sought to drive systemic transformation through three Directions of Change - Structural Transformations, Building Resilience and Leaving No One Behind - underpinned by Strategic Enablers - Strategic Innovation, Digitalization and Sustainable Finance - and improvements in organizational efficiency and effectiveness. This framework aimed to strategically position UNDP at the forefront of sustainable development, by fostering integration, agility and foresight across its global engagements.

The Independent Evaluation Office (IEO) conducted this evaluation to assess the most significant changes promoted by the Strategic Plan 2022-2025 vision, and provide critical insights to shape the subsequent Strategic Plan 2026-2029. Unlike a conventional progress review, the evaluation focused on the systemic shifts UNDP undertook in its pursuit of transformational change. It examined how the Strategic Plan influenced the role of UNDP within the United Nations Development System, its operational culture, and its ability to drive development outcomes in an increasingly complex world.

A key element of this evaluation was a focus on the commitment of UNDP to fostering sustainable development through green, inclusive and digital transitions, with resilience-building and leaving no one behind. By assessing the contributions of UNDP at the level of directions of change, the evaluation provided a high-level and nuanced understanding of the organization's ability to address multidimensional development challenges. It further explored how internal adaptations—with an emphasis on operational improvements, strategic foresight, learning and integration—influenced organizational efficiency and the effectiveness of UNDP work on the ground.

The findings of this evaluation revealed significant progress in the ability of UNDP to navigate systemic challenges and reinforce its role as a trusted development partner, and highlighted areas where further refinement was needed. The clarity of the UNDP value proposition, the operationalization of its integration and systems changes approaches, the balance between strategic ambition and financial constraints, and the deepening of its impact measurement frameworks were among the critical areas for enhancement. Addressing these will be vital to ensure that UNDP continues to serve as a catalyst for sustainable development, offering effective, scalable solutions that drive long-term transformation.

As we look ahead to the next Strategic Plan, I hope this evaluation will serve as a crucial learning input, offering both a reflection on achievements and a guide for future directions based on the past legacies, present pressures, and future opportunities of UNDP. The insights drawn from this evaluation should inform a refined strategy that builds on the strengths of UNDP, mitigates its challenges, and maximizes its capacity to support the aspirations of the 2030 Agenda and the collaborative advantages of the United Nations Development System.

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Acronyms and abbreviations

| 3RP | Regional Refugee and Resilience Plan | | |
|-------------|---|--|--|
| AI | Artificial Intelligence | | |
| BIOFIN | Biodiversity Finance Initiative | | |
| BMR | Business Model Review | | |
| BPPS | Bureau for Policy and Programme Support | | |
| CDO | Chief Digital Office | | |
| CPD | Country Programme Document | | |
| DCO | Development Coordination Office | | |
| DEI | Diversity, Equity and Inclusion | | |
| DPI | Digital Public Infrastructure | | |
| DREI | De-risking Energy Investment | | |
| EGM | Evidence Gap Map | | |
| ERP | Enterprise Resource Planning | | |
| FAO | Food and Agriculture Organization | | |
| GCF | Green Climate Fund | | |
| GEAPP | Global Energy Alliance for People and Planet | | |
| GEF | Global Environment Facility | | |
| Global Fund | Global Fund for AIDS, Tuberculosis, and Malaria | | |
| GPN | Global Policy Network | | |
| GSSC | Global Shared Services Centre | | |
| GRT | Global Response Team | | |
| HDR | Human Development Report | | |
| HDP | Humanitarian-Development-Peace | | |
| ICPE | Independent Country Programme Evaluation | | |
| IFI | International Financial Institution | | |
| INFF | Integrated National Financing Framework | | |
| LDC | Least Developed Country | | |
| LGBTI | Lesbian, Gay, Bisexual, Transgender and Intersex | | |
| LNOB | Leave No One Behind | | |
| MDB | Multilateral Development Bank | | |
| MIC | Middle-income Country | | |
| MoU | Memorandum of Understanding | | |
| MSC | Most Significant Change | | |
| MSME | Micro, Small and Medium-sized Enterprise | | |

| NDC | Nationally Determined Contribution | | | |
|--------|--|--|--|--|
| ODA | Official Development Assistance | | | |
| OECD | Organization for Economic Cooperation and Development | | | |
| PSA | Personnel Service Agreement | | | |
| QCPR | Quadrennial Comprehensive Policy Review | | | |
| RBEC | Regional Bureau for Europe and the Commonwealth of Independent States | | | |
| RBM | Results-based Management | | | |
| RFBF | Reaching the Furthest Behind First | | | |
| ROAR | Results-oriented Annual Report | | | |
| SALW | Small Arms and Light Weapons | | | |
| SDG | Sustainable Development Goal | | | |
| SEESAC | South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons | | | |
| SFH | Sustainable Finance Hub | | | |
| SIDS | Small Island Developing States | | | |
| SLA | Service Level Agreement | | | |
| ТВ | Tuberculosis | | | |
| UNBOA | United Nations Board of Auditors | | | |
| UNCDF | United Nations Capital Development Fund | | | |
| UNDP | United Nations Development Programme | | | |
| UNDS | United Nations Development System | | | |
| UNEG | United Nations Evaluation Group | | | |
| UNEP | United Nations Environment Programme | | | |
| UNFPA | United Nations Population Fund | | | |
| UNICEF | United Nations Children's Fund | | | |
| UNOPS | United Nations Office for Project Services | | | |
| UNSDG | United Nations Sustainable Development Group | | | |
| UPL | Universal Price List | | | |
| WFP | World Food Programme | | | |
| WHO | World Health Organization | | | |

Executive Summary

OBJECTIVES AND SCOPE OF THE EVALUATION

This is the evaluation of the United Nations Development Programme (UNDP) Strategic Plan 2022-2025 conducted by the Independent Evaluation Office (IEO) for presentation at the UNDP Executive Board Annual Session in June 2025. The evaluation covered the period January 2020 to September 2024, contextualized within the final two years of the previous Strategic Plan.

The evaluation assessed the most significant changes- both positive and negative- shaped by the UNDP vision, its operationalization and influence on UNDP strategic positioning in the context of the United Nations Development System (UNDS) reform and amidst a complex and evolving global development landscape. It offers key insights to inform the Strategic Plan 2026-2029. It assessed the Strategic Plan commitment to fostering structural transformation for sustainable development, focusing on green, inclusive and digital transitions to build equitable economic systems. It examined UNDP efforts to enhance resilience by strengthening institutional capacity to withstand crises, conflicts and economic shocks. A core aspect of the evaluation is the assessment of the Strategic Plan commitment to Leave

No One Behind (LNOB) with a rightsbased approach, ensuring inclusion, empowerment and access to essential services for marginalized populations, through a framework emphasizing equality, equity and non-discrimination. Additionally, the evaluation reviewed the internal culture shift in UNDP towards transformational emphasizing continuous learning focused on the impact of the Strategic Enablers — Strategic Innovation, Development Financing and Digitalization on accelerating development outcomes and improving internal processes, as well as their role in shaping a futures-oriented learning culture. Finally, the evaluation assessed the effect of the Strategic Plan vision on the UNDP operational environment for organizational efficiency and effectiveness.

THE STRATEGIC PLAN

The previous UNDP Strategic Plan (2018-2021) introduced Development Settings and Signature Solutions to structure development responses, but approaches created perceptions exclusivity and segmentation. In response, the 2022-2025 Strategic Plan pivoted towards a systems transformation model, underpinned by three Directions of Change: Structural Transformations (promoting

inclusive, green and digital transitions), LNOB (ensuring equity and human development), and Building Resilience (strengthening institutions to withstand crises). These shifts aimed to foster integration and systemic impact, supported by three Strategic Enablers—Strategic Innovation, Digitalization and Sustainable Finance—while reinforcing agility and foresight within UNDP operations.

GLOBAL CONTEXT AND THE UNDP RESPONSE

The 2022-2025 Strategic Plan was crafted against a backdrop of rising economic, environmental and political uncertainties, including the COVID-19 pandemic, climate crises, geopolitical tensions and financial instability. These challenges intensified poverty and inequality, threatening progress toward the Sustainable Development Goals (SDGs). Resources increasingly shifted towards immediate humanitarian needs, challenging long-term development goals. However, the period also presented opportunities; public demand for inclusive, digital and green transitions grew, along with investments in renewable energy and innovative financial mechanisms. This environment underscored the need for a transformative, systems-thinking approach to achieve sustainable human development.

UNDP responded by further aligning its Strategic Plan to the context and Agenda 2030, navigating UNDS reform, and fostering integrated development. Central to this shift was the adoption of systems-thinking and integration approaches to holistically address interconnected challenges. and move beyond siloed interventions. Directions of Change in the Strategic Plan reflected this shift, promoting transformative goals applicable to all countries, regardless of their development status, embedding the Strategic Enablers into the core UNDP strategic approach. To enhance operational efficiency and effectiveness, UNDP prioritized organizational agility, centralizing services, adapting human resource policies, and implementing a new enterprise resource planning system, among other enhancements. UNDP also reinforced its anticipatory capabilities to further integrate strategic foresight into its approaches.

ABOUT THIS EVALUATION

The evaluation of the UNDP Strategic Plan 2022-2025 was designed to assess its overarching vision rather than act as a typical progress report. Given the decentralized structure of UNDP, and dynamic operational contexts, the evaluation focused on systemic shifts and development of a learning culture, avoiding duplication with the Midterm Review and Business Model

Review. The findings drew upon extensive stakeholder consultations, comparative studies and qualitative and quantitative analysis, highlighting key achievements, challenges and recommendations for future strategic growth. The conclusions and recommendations were structured using a framework balancing historical legacies, present pressures and future opportunities.

Key Findings

UNDP STRATEGIC POSITIONING

Value proposition, comparative strengths and clarity of offer

UNDP capitalized on the flexibility of its Strategic Plan, global reach, broad mandate and specialized expertise in governance, to drive integrated development solutions. Sustainable finance emerged as a comparative strength over the period assessed. The absence of a clearer focus on its recognized strengths compromised the thematic distinctiveness of UNDP compared to other United Nations agencies. This was further affected by limited capabilities in key growth areas and the pursuit of diverse funding opportunities, which diluted its clarity of purpose and value proposition.

Systems-thinking and the UNDP integrator function

The Strategic Plan and UNDP efforts demonstrated a growing commitment to integration and systems-thinking. However, as UNDP began to focus more on implementing these concepts, against the backdrop of UNDS reform, the UNDP integrator function was not clear, limiting the organization's potential.

Financial lens and funding model

The decline in flexible (core) funding limited UNDP flexibility and ability to allocate resources effectively to achieve the Strategic Plan vision.

DIRECTIONS OF CHANGE

Structural transformation

The advancement of a systems approach, integrating inclusive, green and digital transitions across all development settings, was the most significant change in driving structural transformation during this period.

Inclusive transitions

The most significant changes to inclusive transitions included shaping inclusive policies, supporting MSMEs, and creating jobs for people from marginalized groups. Limited availability of technical expertise in certain areas, particularly at country level, and a narrow focus on systems change constrained broader, more scalable results.

Green transitions

Green transitions saw the most significant changes in the integration of biodiversity conservation, expanded access to a just energy transition, advancement of climate security agreements, and the promotion of inclusive nature-based solutions to support marginalized communities. Integration efforts were not always consistently aligned with the often preferred sectoral planning and investment of stakeholders, limiting their influence on green growth and fossil fuel dependency reduction.

Digital transitions

Digital transitions expanded access to digital services and improved government functions, creating healthcare and economic opportunities that fostered more inclusive digital economies. The next steps towards enhancing digitalization, such as addressing emerging issues in data security, privacy governance and interoperability, were not always taken. This contributed to limiting the adoption of broader user-centred e-services and trust in digital solutions.

Building resilience

The most significant change in building resilience during this Strategic Plan period was the shift towards addressing complex structural risks, crises and socioeconomic shocks in all development settings, regardless of the level of fragility. This shift enhanced the understanding of risk management as a systemic component of development, leveraging the global presence of UNDP with local solutions, while expanding its focus on regional and global resilience issues, including cross-border conflicts, the climate crisis and pandemics.

Development in crisis settings

UNDP improved its alignment of crisis response with long-term development initiatives, emphasizing inclusive stabilization efforts to advance the Human-Development-Peace (HDP) nexus, fostering trust, and strengthening the foundations of the social contract. The ability of UNDP to "stay-and-deliver" during crises highlighted its strategic role in sustaining development efforts where others might retreat.

Climate resilience

The alignment of green transition initiatives with structural transformation was characterized by intensified integration of climate security into national development plans, regional agendas, and global frameworks, marking the most significant change, alongside successful efforts to advance climate finance.

Health resilience

UNDP played a pivotal role in strengthening health resilience during and after COVID–19, by leveraging longstanding partnerships, its experience with Global Fund programme implementation, operational adaptability and digital transformation to ensure the continuity of essential services and respond to emerging needs. Health resilience was challenged by issues of supply chain management capacity, including operational overlaps, which underscores the essential challenge and opportunity of systemsthinking and integration.

LNOB1

The most significant change in LNOB was its elevation to a Direction of Change in the Strategic Plan, fostering more equitable and inclusive programme designs, ensuring and yielding benefits for some targeted populations in need. UNDP work contributed to advancing equal rights and development benefits for all; an important signal, given the global widening of inequalities. With a more targeted focus on systems change, UNDP made significant contributions to advancing LNOB by strengthening access to more inclusive justice institutions and health systems and empowering marginalized communities to challenge discrimination.

 $¹⁻See \ \underline{https://unsceb.org/sites/default/files/imported_files/CEB%20equality%20 framework-A4-web-rev3_0.pdf. Advanced to the files of the files$

Strengths and weaknesses in LNOB

Promoting equality was a strength of UNDP LNOB work over the period under review, with efforts to advance equity and non-discrimination less pronounced or successful. While some progress was made in data disaggregation, opportunities remained to address gaps in measuring LNOB outcomes. UNDP was a leader on LNOB within the United Nations system, though momentum for LNOB integration waned.

Declining momentum of LNOB

Over time, work around LNOB suffered from insufficient guidance, incentives and resources limiting the potential to effectively address the root causes of inequality and discrimination. LNOB work was treated as "everybody's business", but incomplete operationalization and a lack of clarity around accountability for LNOB outcomes effectively made it "nobody's business".

Addressing root causes

UNDP faced barriers to scale LNOB initiatives, including funding constraints, legal identity registration challenges, and limited digital financial access, disproportionately affecting marginalized groups. Weak gender-sensitive budgeting and policy coherence further limited long-term gender equality gains.

STRATEGIC ENABLERS

Enablers of change

The three UNDP Enablers were essential for maintaining relevance amid evolving contexts, and prominently supported the Directions of Change. The Innovation and Digital Enablers were refined to address macro challenges faced by countries, while the Finance Enabler advanced policy discussions on the urgency of SDG financing at national and global levels. All Enablers faced challenges in transitioning from assessment to effective delivery, and achieving concrete results at scale.

Learning culture

The UNDP Strategic Enablers fostered a culture of experimentation and learning within the organization by promoting systems-thinking, innovation, digitalization and leveraging sustainable finance. While these enablers enhanced the ability of country offices to engage with partners on emerging approaches and technology, efforts to support continuous learning and adaptation were nascent and limited in scale.

Ambidexterity in strategy and operations

A significant change in promoting transformational change was the successful balancing by UNDP of 'exploitation' of existing strengths with 'exploration' of future opportunities. Seed funding played a crucial role in initiating and incentivizing this approach. The integration of the resulting structures was incomplete, and the lack of viable funding alternatives continued to pose a challenge.

ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS

Enablers of change

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Overall efficiency and effectiveness

UNDP underwent operational improvements that introduced necessary changes and benefits, reinforcing its role as a responsive partner and transparent operational backbone to the Resident Coordinators' offices and other United Nations agencies amid evolving contexts.

Human resources

The introduction of Personnel Service Agreement (PSA) contracts marked positive and significant changes in human resources management. These measures aimed to enhance UNDP capacity to deliver on the Strategic Plan, but the benefits were limited by the use in places of these contracts as "staff positions", rather than for "services" of limited duration, leading to personnel retention challenges and the perception of inequities, and inadequate career development opportunities.

Impact measurement

UNDP struggles to measure and report on its impact, in large part due to its complex, multidimensional human development goals, its short strategic planning cycles, and the difficulty of attributing long-term societal changes within multipartner initiatives. Efforts under the Strategic Plan laid the groundwork, including ongoing revision of the Results-Based Management (RBM) Strategy and improvements in data systems, but systemic barriers persist. These include fragmented results and resources frameworks, limited culture and systems to facilitate impact measurement, resource gaps, and reliance on anecdotal evidence. As a result, the consistent integration of impact evaluation into programme design and monitoring was limited, reducing the ability of UNDP to effectively demonstrate measurable impact.

Conclusions

STRATEGIC POSITIONING

Supported by the flexible and integrated vision of the Strategic Plan, UNDP remained a vital partner for governments, strategically positioned to address complex development challenges and advance the collaborative advantages of the United Nations system.

VALUE PROPOSITION

Governance continued to be the most recognized and distinct strength of UNDP. However, the UNDP value proposition became less clear due to increasing priorities and opportunities, diluting the focus of the Strategic Plan on this core area. As a result, UNDP faced challenges in clearly defining its evolving role in governance, leaving stakeholders uncertain about how governance aligned with and supported the organisation's broader agenda.

INTEGRATION AND SYSTEMS-THINKING

UNDP showed increasing commitment to integration and systems-thinking to advance the SDGs in its Strategic Plan design and implementation. However, it encountered significant challenges in operationalizing and more broadly embedding these approaches.

FINANCIAL CONSTRAINTS

UNDP demonstrated flexibility and ingenuity in navigating financial constraints, leveraging existing funding mechanisms, though progress in diversifying funding sources was limited. The UNDP funding model continued to challenge its capacity to maintain strategic flexibility, implement integrated solutions, and promote systems-oriented transformative change.

STRUCTURAL TRANSFORMATION

Efforts towards structural transformation, guided by the UNDP integrated approach to inclusive, green and digital transitions, led to many positive results for people and the planet, while advancing integrated solutions and reinforcing the UNDP core mandate.

BUILDING RESILIENCE

UNDP leveraged its global presence and unique position within the HDP nexus to bridge immediate crises and instability. This was enabled by a focus on long-term inclusivity, social cohesion and sustainability while advancing health and climate resilience at local, regional and global levels.

LEAVING NO ONE BEHIND

Elevating LNOB to a Direction of Change signalled a strong organizational commitment to foster a culture change towards more inclusive programming. However, momentum waned due to unclear accountability and leadership for LNOB and insufficient integration of intersectionality into programmatic approaches.

ENABLERS

UNDP Strategic Enablers, along with investments into futures and foresight, accelerated progress towards the Directions of Change and helped to nurture a futures-thinking and learning-oriented culture. However, the reach of the Enablers was restricted due to limited capabilities, understanding and resources, and cost recovery challenges, which affected the ability of UNDP to deploy technical advice in support of some country offices and partners.

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ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS

The UNDP Strategic Plan introduced significant operational changes to enhance organizational efficiency and effectiveness, and to sustain the organization as a responsive partner to countries and the United Nations system. However, challenges persisted, including delays in integrating the Quantum ERP system, prolonged recruitment processes, inefficiencies with clustering of services, and the use of the use of the new short-term PSA contracts for longer-term needs, leading to perceived inequities. Additional constraints included fragmented cost recovery mechanisms and limitations in the business model.

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IMPACT MEASUREMENT

Ongoing efforts to refine the UNDP RBM Strategy demonstrated its commitment to enhance impact measurement and align efforts towards the SDGs and global priorities. However, fragmented approaches to results tracking and performance data management hampered the ability of UNDP to demonstrate impact. Without adequate impact measurement, it was unclear which initiatives best drive progress in UNDP and which require recalibration, limiting the organization's capacity for informed decision-making and continuous improvement.

Recommendations

RECOMMENDATION 1

Elevate human development through governance as the UNDP catalyst for systemic change and a central organizational contribution to the United Nations Development System.

UNDP needs to clarify and simplify the articulation of its value proposition. It should reposition itself within the multilateral system as an ecosystem catalyst, leveraging governance with human development, poverty and inequality as its core comparative and collaborative advantage address complex, intersectional to development challenges. Governance should be elevated from a Signature Solution to a foundational pillar, aligned to human development, to drive all thematic areas in which UNDP has key strengths, such as poverty reduction and leaving no one behind, environmental sustainability and development in crisis. This repositioning will require UNDP to evolve its understanding of governance and shift its offerings to keep pace with dynamic contexts and contemporary challenges,

adapting to political resistance and funding constraints and providing strategic thought leadership that aligns with current realities. Governance in this broader sense - and in support of safeguarding the planet and reducing inequalities - should be institutionalized as a central pathway for systemic change and a core component of the UNDP value proposition. This would hold for all areas of work, and act as a stabilizing force for prevention and support during crises by strengthening the role of UNDP to foster long-term social cohesion within the HDP nexus. Additionally, it will be key to reinforcing UNDP leadership in governing sustainable finance to address the global climate crisis, and in managing technological risks and opportunities.

RECOMMENDATION 2

Continue to enhance systems-thinking and integration capabilities across UNDP, including with streamlined and practical approaches as appropriate, supported by adequate allocated human and financial resources, as well as tools, mechanisms and good practices.²

UNDP should strengthen its systems-thinking capabilities but consider adopting streamlined and practical approaches to enhance understanding, funding and buy-in from partners. Development is inherently political, and it requires time, resources and strong partner buy-in to shift from sectoral approaches to systemic change. Systems-thinking offers value, but not all support to partners can or should fully rely on systems or integrated approaches. A realistic strategy involves clarifying when to prioritize systems-thinking efforts to deliver the greatest impact, considering existing resources, partner

buy-in and capacity constraints. UNDP should adopt a context-sensitive approach to systems-thinking that aligns with the diverse capacities and priorities of its partners and country offices. This approach requires clear and robust support through appropriate human and financial resources, tools, mechanisms, and tested practices, to allow UNDP to strategically navigate political constraints when leveraging systems-thinking, to achieve meaningful development outcomes without overextending its capacity.

RECOMMENDATION 3

Strengthen the UNDP business model by clarifying its value proposition and aligning resources with strategic priorities.

The current UNDP funding structure and business model limits its ability to fulfil its strategic ambitions. UNDP should integrate its business model with a clearer value proposition, emphasizing strengths such as global presence, governance expertise, systems-oriented solutions and operational services. These are the key attributes that distinguish UNDP as a leader in addressing complex, multidimensional development challenges. To support this effort, UNDP should refine its resource mobilization strategy to better align funding efforts with its core strengths and strategic priorities, ensuring that contributions directly support systemic and transformative outcomes. This shift requires moving from simply showcasing achievements to building a compelling case for impact, thereby enhancing donor

confidence and investment. Updating resource allocation formulas is equally essential to achieve strategic distribution of resources, particularly in contexts marked by multidimensional poverty and inequality. UNDP should work with the Executive Board to update these formulas ensuring core areas of work are adequately protected and resource fragmentation is minimized.

Additionally, UNDP should engage more countries in contributing core funding and monitor emerging donor trends and geopolitical shifts to inform future resource mobilization efforts and strengthen financial resilience. While the "bilateralization" of aid is beyond the control of UNDP, it can provide corporate guidance and incentives to country offices to reduce reliance on short-term funding

and delivery quotas. Country offices and partners should be empowered to align resources with their theories of change and programmatic priorities. Where non-core funding is necessary, UNDP should expand funding windows for flexible earmarking and support integrated, systemic solutions aligned with its Strategic Plan. Moreover, there is an opportunity to increase participation in managing national funds with developing countries. To capitalize on these opportunities, UNDP must deliver strong financial performance alongside high-quality technical assistance aligned with national development priorities to achieve sustainable, lasting impact.

RECOMMENDATION 4

Enhance the ability of UNDP to support countries in leveraging sustainable development finance, including private capital, to overcome barriers that slow and prevent the achievement of the SDGs.

To accelerate progress towards the SDGs, UNDP should enhance its capabilities in sustainable development finance, particularly at country level, equipping staff with the expertise needed to help countries effectively leverage and align resources towards the "\$1 trillion moonshot". This will require further rationalizing the diversity of UNDP offers, approaches and tools on finance, supported by clear theories of change for how stakeholders are contributing to the goal of mobilizing more resources for the SDGs. It is, however, essential to recognize that real impact goes beyond mobilizing resources: addressing deep-rooted challenges and driving meaningful change requires not only financial resources but also strong governance,

effective incentives and strategic disincentives with policy support and enforcement. Capacity-building and institutional strengthening initiatives should be prioritized across all regions, to strengthen domestic resource mobilization, align tax policies with SDG priorities, and support SDG-focused budgeting. In this way, UNDP can empower countries to generate and allocate resources more effectively for sustainable development. Recognizing the unique financing constraints of LDCs and SIDS, UNDP should establish tailored support systems, to provide targeted assistance and foster cross-regional, South-South and triangular collaboration and knowledge-sharing.

RECOMMENDATION 5

Leverage the broad mandate and global presence of UNDP to elevate regional and global thought leadership on structural transformation and resilience-building, with a focus on transnational challenges.

By leveraging its broad mandate and global presence, UNDP can further legitimize its role in "development in crises" and the HDP nexus, strengthening structural transformation and resilience for human development. This approach should prioritize effective governance to foster

regional social cohesion, and address interconnected challenges such as climate resilience, digital security and pandemic risk. Integrating governance with inclusive, green and digital transitions is essential to tackling crises within the HDP nexus and responding to regional and

global priorities, including migration and social cohesion. This integrated focus will strengthen UNDP positioning as a leader in sustainable finance for resilience-building, enabling the organization to expand its impact beyond local crises and address transnational challenges. Furthermore, getting ahead of risk will require enhanced integration with governance and alignment with regional and global capacities, reinforcing the UNDP niche in advancing human development through coordinated and systemic approaches.

To enable integrated solutions for long-term structural transformation and resilience, UNDP must address a key barrier: fragmented funding, caused by unclear guidance on implementing systems change. Resources should be focused on areas where UNDP delivers the most value, promoting innovation through integrated solutions while avoiding the dispersion of efforts across activities. Clear resource management practices are essential to prevent fragmentation and reduce competition between teams with different thematic expertise, such as governance and climate experts working on resilience, or poverty and digital inclusion experts working on LNOB portfolios.

RECOMMENDATION 6

Establish clear accountability mechanisms, dedicated budgets, and embed LNOB within UNDP governance structures, while strengthening UNDP capabilities for addressing intersectionality.

UNDP should revitalize and consolidate its approach to the principle of LNOB by developing a clear roadmap that advances beyond mainstreaming to address intersectional vulnerabilities and systemic barriers such as cultural norms and power imbalances. This should include a stronger institutional architecture, with clear accountabilities and firm commitment to addressing discrimination. The emphasis should shift to long-term structural transformation, ensuring the sustainability of efforts aimed at marginalized groups, while reinforcing the link between LNOB/RFBF and governance, defining

realistic strategic goals for RFBF and building stronger partnerships for more meaningful, lasting results.

Formal accountability mechanisms, including clear budgets and workplans, should make LNOB a measurable and ongoing priority across offices. As part of the roadmap, UNDP should refine its approach to inclusive governance and social protection systems, focusing on addressing the root causes of marginalization. By continuously measuring progress and adapting strategies, UNDP should ensure that LNOB remains central to its current and future development agenda.

RECOMMENDATION 7

Strengthen the Strategic Enablers as mechanisms for accelerating development, focusing on areas that offer greatest potential for development gains and learning for systems change.

UNDP should enhance the Strategic Enablers as crosscutting tools, institutionalizing their integration into programmes and fostering learning that emphasizes adaptive, systemic solutions for sustainable development. UNDP should clearly articulate how each enabler can accelerate development and environmental outcomes in specific contexts. This will help programmes to focus on identifying actionable steps for implementation and results, with a clearer understanding of partner roles, motivations, incentives and realistic timeframes. Differentiated resource allocation or cost recovery

models tailored to the distinct contexts of LDCs, SIDS and MICs must be considered, to ensure more equitable application of the Enablers across low-income, fragile and conflict-affected States. Enablers must be adapted to address foundational needs, recognizing that resource and capacity constraints in different countries may limit the immediate use of advanced systems and capacities. Strengthening partnerships to promote South-South and triangular cooperation, will further facilitate knowledge exchange and capacity-building across diverse contexts.

RECOMMENDATION 8

Implement an Integrated Operations Strategy for the holistic improvement of organizational efficiency and effectiveness.

Building on the different tools and policies in place, UNDP should develop a comprehensive strategy to unify key initiatives - such as People for 2030 and the digital strategies, the clustering of operational services, the revised budgeting process, and cost recovery models - into an integrated operations excellence framework. This systemic approach, aligned with the vision of the Strategic Plan, must address the underlying causes of operational challenges to implementing cohesive integrated measures to enhance organizational efficiency and effectiveness.

Within this integrated framework, UNDP should continue to address inefficiencies across its operations, including refining persistent challenges in certain functions that have not been effectively centralized despite prolonged efforts. In these cases, exploring a more decentralized approach could enhance effectiveness and

responsiveness. Furthermore, fostering open transparent communication about existing challenges, alongside clear plans to address them, will be key to strengthening internal trust and reinforcing the commitment of UNDP to continuous organizational learning and adaptability. UNDP should work on enhancing change management for the implementation of Quantum by streamlining workflows and improving communication to unify data and foster continuous improvement. Additionally, UNDP should refine the PSA contract modality, exploring other contracting options to best address the needs of offices and projects to balance flexibility. This should be accompanied by more systematically funding and strengthening talent management across the workforce, regardless of contract type, while ensuring gender and geographic diversity of staff.

RECOMMENDATION 9

Build a comprehensive impact measurement framework that informs strategic decisions and promotes continuous learning to accelerate the SDGs and advance human development.

UNDP should develop realistic and practical approaches to building rigorous impact measurement capability, providing clear guidance to measure systems change in select strategic areas. Strengthening this capability will enhance accountability and learning, while significantly improving the quality of communication, advocacy, and partner engagement though a clear demonstration of return on investment. This aligns with Recommendation 3, which calls for redefining the business model to ensure that funding supports high-impact objectives. Achieving this requires an impact measurement framework that balances learning and accountability, ensuring that insights inform strategic decisions, and optimizes resource allocation. Dedicated resources should be allocated to enhance internal capacities, and mechanisms established with clear roles and responsibilities across teams to promote the shift from anecdotal narratives to rigorous impact measurement and reporting methods. Enhancing the alignment between IEO evaluations and organizational decision-making is crucial for timely impact measurement, assessment, and reporting. To effectively integrate evaluation findings into resource

allocation, prioritization, and strategic planning, UNDP can strengthen RBM practices, ensuring that evidence-based insights drive both programme development and organizational learning.

Considering the nature of global development challenges, UNDP should collaborate with its Executive Board, to establish more frequent and transparent reporting on contributions and lessons learned. UNDP and the Executive Board should consider extending the Strategic Plan duration to 8-10 years, creating a framework better suited for impact reporting and evaluation. While the current approach is aligned with partner agencies, a longer timeframe would allow for an independent midterm review in year four or five and is more likely to provide sufficient data for impact measurement in the final evaluation to inform the subsequent Strategic Plan, and ensure time to develop a critical mass of data for meaningful impact analysis. Even if contexts change, which they often do, this approach will provide a better analysis of how UNDP has responded to changes in context.



1

Introduction - Prologue

This is the 2022-2025 UNDP Strategic Plan Evaluation.³ Conducted by the Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) to respond to corporate accountability requirements and support organizational learning. The Strategic Plan Evaluation is intended for presentation at the Annual Session of the UNDP Executive Board in June 2025 and aims to support the development of the next Strategic Plan, for 2026-2029.

The evaluation assessed the overarching vision of the Strategic Plan 2022-2025, covering the period from January 2020 to September 2024.⁴ This scope comprises the current Strategic Plan period and includes the last two years of the previous Strategic Plan for proper contextualization. The report assesses the most significant changes - both positive and negative - shaped by the UNDP vision, its operationalization and influence on the strategic repositioning of UNDP in the context of the United Nations Development System (UNDS) reform and a complex and evolving global development landscape.

^{3 —} The SPE is outlined in the IEO multi-year work programme (2022-2025) approved by the UNDP Executive Board in February 2022. See DP/2022/6.

 $^{4-\}underline{\text{https://www.undp.org/publications/undp-strategic-plan-2022-2025}}$



The Strategic Plan – Blueprint

In its previous Strategic Plan 2018-2021, UNDP introduced the concepts of Development Settings and Signature Solutions, with the aim of providing a structured and more integrated approach to addressing development challenges. The development settings framework, which categorized countries based on income status and fragility, sought to tailor UNDP support to specific contexts. However, this approach unintentionally created perceptions of exclusivity, potentially limiting applicability across diverse country needs. Similarly, while the themebased Signature Solutions provided a clear focus, they may have contributed to a more segmented approach, presenting challenges in demonstrating adaptability in complex, multi-layered country contexts.

In the Strategic Plan 2022-2025, UNDP moved away from context-based categories and placed renewed focus on systems' transformation to address global development challenges. This effort translated into three 'Directions of Change'. Unlike development settings, which categorized countries by contexts, Directions of Change suggested transformative goals applicable to all countries, regardless of development status. The three Directions of Change were:

- **1. Structural Transformations:** Creating long-term, systemic shifts to reduce poverty, inequality and environmental degradation, with a focus on inclusive, green and digital transitions and sustainable development.
- 2. Leaving No One Behind (LNOB): Ensuring a rights-based approach centred on empowerment, inclusion, equity, human agency and human development capabilities, which recognizes that poverty and inequality are multidimensional.

3. Building Resilience: Strengthening the ability of countries, communities and institutions to withstand shocks such as conflicts, disasters and climate-related risks, pandemics and socioeconomic shocks, while preventing setbacks in development gains.

DIRECTIONS OF CHANGE

- 1. STRUCTURAL TRANSFORMATIONS
- 2. LEAVING NO ONE BEHIND (LNOB)
- 3. BUILDING RESILIENCE

The Directions of Change were intended to be interconnected, further marking the UNDP shift to integration and systems-thinking approaches, holistically recognizing interlinked challenges like poverty, inequality and resilience. UNDP also saw an opportunity to formalize its three Strategic Enablers of change (Strategic Innovation, Digitalization and Sustainable Finance). Additionally, it committed to becoming a more agile, anticipatory organization that could continue to deliver development results in an increasingly volatile, uncertain global environment by strengthening its operational environment through pathways for organizational efficiency and effectiveness. These focused on People, Knowledge, Risk Management, Funding, Operational Excellence and Impact Measurement, along with strengthened futures and foresight capabilities to help UNDP and partners better predict, prepare for and respond to emerging and future challenges.



Context – Scenario

the world faced escalating challenges and uncertainty. The COVID-19 pandemic deepened economic and social vulnerabilities, strained health systems, widened the financing gap for the Sustainable Development Goals (SDG), and intensified poverty and inequality. A polycrisis followed, including rising national debts, prolonged conflicts, frequent climate shocks, political polarization, and eroding trust in governments and multilateral institutions [1, 2]. Resources shifted towards immediate humanitarian and climate crises, diverting funding from long-term sustainable development. This precarious balance between short-term survival and long-term progress jeopardized the achievement of the SDGs, with only 17 percent on track by mid-2024.6 These crises underscored the need for a resilient, collaborative development approach that could adapt to disruptions while advancing strategic goals within a shifting global and financial landscape.

In 2020, as the Strategic Plan was being developed,

Amid the challenges, there was also hope and opportunity. Some also viewed the polycrisis as an opportunity for "politunity", or a shift towards more resilient and inclusive systems, effectively addressing the multifaceted nature of contemporary global issues [3]. Momentum was increasingly growing for inclusive, digital and green transitions, bolstered by public support for more equality efforts, digital technology and stronger climate action and increased investments in renewable energy over fossil fuels. Technological advances in digital infrastructure and green investments expanded opportunities and services for marginalized communities, while innovative financial models like green bonds and sustainability-linked investments were promoted to narrow the SDG financing gap. Some governments also pursued long-term strategies to safeguard future generations and explore equitable green economic alternatives.

Internally, UNDP was navigating a shifting development landscape and repositioning after the UNDS reform.

UNDP transitioned from its role as Resident Coordinator to "a support platform of the United Nations development system providing an integrator function in support of countries in their efforts to implement the 2030 Agenda"[4]. The Strategic Plan sought to redefine the direction for UNDP across diverse development contexts and showcase its unique value amid a crowded field. The COVID-19 pandemic reinforced the urgency of this shift, exposing systemic vulnerabilities and underscoring the need for integrated, multi-sectoral responses to global challenges.

The Strategic Plan design recognized that, to thrive, UNDP needed to go beyond reactive measures, and leverage its strengths in convening, partnership, innovation and its global networks to amplify its impact and shift focus towards the future. This approach aimed to secure relevance and demonstrate leadership, addressing issues across local, national, regional and global levels, and positioning UNDP to drive transformational change in an evolving development system.



Response to the Context - Prelude

2030 AGENDA AND UNDS REFORM

The Strategic Plan was primarily a response to Agenda 2030 and the Secretary-General's reform of UNDS [4]. It was aligned to the need to accelerate implementation of the SDGs and adapt to UNDS reform. Given the UNDP presence in 170 countries and its ability to provide common services, UNDP continued to provide operational and administrative support to Resident Coordinator offices and other United Nations agencies. This responded to a request from the General Assembly for the Secretary-General "to ensure an effective and efficient transition to a repositioned UNDS, including by giving due

consideration to the role of a responsive UNDP as the support platform of the UNDS providing an integrator function in support of countries in their efforts to implement the 2030 Agenda" [4]. In practice, this meant that the UNDP Strategic Plan needed to clearly distinguish the substantive integration function of UNDP from the coordination mandate of the United Nations Development Coordination Office (DCO), with a strong focus for UNDP on delivering integrated development solutions aligned with country priorities and Agenda 2030.

INTEGRATION VS. SYSTEMS-THINKING

The Strategic Plan reflected the evolving UNDP vision grounded in integration and systems-thinking - two distinct but complementary approaches to holistically address development. In the development literature on complex challenges, *integration* emphasizes cross-sector coordination to reinforce outcomes, while systems-thinking addresses interconnections, root causes, underlying structures, feedback loops, and system dynamics to drive long-term, transformative

change [5]. The pursuit by UNDP of systems change through more holistic approaches, whether integration or systems-thinking, dates back at least 30 years to the launch of the first Human Development Report (HDR) [6].⁷ This was inspired by the capability approach, a framework which shaped the agency's multidimensional understanding of poverty and human development [7, 8].

INTEGRATED SOLUTIONS

The multidimensional foundation of UNDP shaped its ongoing commitment to integration, bolstered by its recognized integrator function in the UNDS reform. While the integrator function and related concepts of integration and systems-thinking were not always clear to everyone, the Strategic Plan laid out the UNDP

ambition to extend beyond siloed approaches and embed systems-thinking to deliver sustainable human development and contribute effectively to the SDGs.

^{7 —} The first HDR was launched in 1990 by UNDP, authored by Mahbub ul Haq with contributions from Amartya Sen.

SYSTEMS CHANGE

The Strategic Plan Directions of Change reflected the UNDP systems—oriented approach. Building on lessons from the previous Strategic Plan, the Directions of Change reinforced systems-thinking by overlaying a set of three goals or aspirations to the Signature Solutions. Unlike the previous Strategic

Plan approach, the Directions of Change were not expected to be addressed in isolation or tied to a specific development setting. Instead, they promoted the systemic integration of development action across all contexts to attain sustainable transformation.

STRATEGIC ENABLERS

The Strategic Plan also responded to the changing context by advancing three Strategic Enablers. Digitalization emerged as a critical priority, particularly after COVID-19 highlighted its role in sustaining governance, education, healthcare, and economic activities during crises and beyond with the advancement of Artificial Intelligence (AI) and other technologies. Sustainable Finance was repositioned as a response to the growing urgency of mobilizing

resources to achieve the SDGs. Strategic Innovation was introduced to explore, experiment and drive transformative change aimed at accelerating learning, promoting systems-thinking, and addressing the root causes of development challenges. These enablers were not just responses to immediate global needs but also aimed to reposition UNDP as a leader in building resilient, inclusive and sustainable development.

OPERATIONAL ENVIRONMENT

The Strategic Plan emphasized the need for adaptation in organizational efficiency and effectiveness as well as the need to respond to the evolving development landscape. UNDP committed to increased agility, flexibility and resource optimization, through changes in human resource policies and practices, the centralization of operational services, and deployment of a new enterprise resource planning

(ERP) system. While the Plan did not detail specific funding models, Executive Board documents that year frequently raised the importance of adapting UNDP funding mechanisms to allow flexibility to respond to partners and address the evolving funding landscape, as confirmed by the Business Model Review (BMR) put in motion by the organization.⁸

FUTURES

Building on a more agile UNDP also meant a more anticipatory UNDP. In 2022, the Strategy and Futures team was created, to provide greater strategic foresight by connecting, cohering and amplifying the many strategic foresight efforts already springing up across UNDP. Foresight increasingly became a core element of the broader strategic ambition of UNDP

to remain relevant and respond to an increasingly complex and uncertain global environment.

Subsequent sections of this report evaluate the UNDP response to this context, highlighting the most significant changes in advancing the Strategic Plan vision.

⁸ — The ongoing 2024 UNDP BMR assessed systems, processes, partnerships, and financial structures to enhance operational efficiency and align with strategic objectives.



Evaluation Objectives, Approach and Methodology

As an evaluation assessing an overarching vision, this is not a typical progress report. Given the highly decentralized business model of UNDP, with various planning cycles at country level, the need for country offices to adapt the Strategic Plan to their diverse and dynamic contexts and priorities, and the ambition of UNDP to connect local, regional and global development ideas and actors, the Strategic Plan could not be evaluated as a static tool. The Strategic Plan is not a typical work plan: it is a vision. The evaluation was guided by the structure of the Strategic Plan, while also examining the development of a futures-orientated learning culture in UNDP and areas for evolution that should be considered in the next Strategic Plan. The evaluation avoided duplicating performance assessments, building on the Midterm Review and the BMR to leverage their data and insights for context and additional evaluative evidence for triangulation.

OVERARCHING EVALUATION QUESTIONS

The evaluation questions were developed under four key areas, as follows:

Q.1 RESULTS

What most significant changes contributed to the Directions of Change of structural transformation, building resilience and leaving no one behind? What can UNDP do to further evolve?

Q.2 ENABLERS AND LEARNING CULTURE

How did the Enablers contribute to the Directions of Change? And to what extent have they helped UNDP develop a futures-oriented learning culture that is improving its support to countries?

Q.3 ORGANIZATION EFFICIENCY AND EFFECTIVENESS

What most significant changes promoted by the Strategic Plan enhanced the UNDP operating environment, organizational efficiency and effectiveness, to foster a more flexible and agile UNDP?

Q.4 STRATEGIC POSITIONING

What most significant changes affected UNDP strategic positioning?

For the full questions and sub-questions, see Annex I TOR and Annex 6 Evaluation Matrix.

EVALUATION APPROACH AND METHODOLOGY

The evaluation employed a systems-thinking approach, incorporating an adapted form of the Most Significant Change⁹ (MSC) method. This involved collecting stories of shifts and triangulating them with other sources to identify the most significant changes and their links with the Strategic Plan. A key feature of the methodology is to engage stakeholders throughout the process, promoting reflection, dialogue and mutual learning about the shifts and their implications on the development and strategic positioning of UNDP.

The evaluation focused on understanding and analysing the complex and multidimensional interrelated systems that influenced the Directions of Change. The systems-thinking approach was adopted to match the complexity of UNDP development support in over 170 countries, its ambition to connect local, regional, and global development, the interconnected nature of the various development issues, and its integration offer as highlighted in the Strategic Plan. The MSC methodology adds particular value in assessing complex and context-specific changes that are not easily captured by standardized indicators.

The evaluation also used an IEO-developed rubric to evaluate sustainability in different nonlinear stages of change with a mixed-methods data collection and analysis approach [9].¹⁰ The methods applied, outlined below, built on all pertinent available IEO evaluations and UNDP decentralized evaluations of satisfactory quality

that were conducted between 2020 and 2024, including IEO corporate and thematic evaluations, Independent Country Programme Evaluations (ICPEs), evaluation syntheses and rapid evidence reviews (reflection papers with lessons) that were published, or in the final stages of publication, in 2024. These data were triangulated with key documents and over 600 key informant interviews, as well as with quantitative data from existing surveys, financial trackers and forecasts. This included internal documents such as the recently completed UNDP BMR and the 2024 All Staff Survey on the Strategic Plan, with over 2,000 responses.

The findings were synthesized into key lessons, and the conclusions were framed using the Futures Triangle by Sohail Inayatullah [10]. This framework identifies three forces: the weight of history; the push of the present; and the pull of the future. After answering the key evaluation questions, the methodology employed scenario archetypes for visioning, to create future-oriented recommendations that benefitted from the inputs of a co-ideation session with the Evaluation Reference Group. The evaluation adhered to the United Nations Evaluation Group (UNEG) Ethical Guidelines for Evaluation and UNEG Guidance on Integrating Human Rights and Gender Equality in Evaluations, and was built on robust internal and external quality assurance processes [11, 12]. More details can be found in the evaluation methods note (Annex 2).

^{9 —} MSC was used as an alternative to a summation of all UNDP results during a period, a large part of which the IEO has presented to the Executive Board through thematic and country programme evaluations. The MSC approach has been adapted to make the data collection and analysis more manageable within the evaluation timeframe and global scope.

^{10 —} See Annex 2 - MSC rubric.

TABLE 1

Evaluation methods and tools

1. IEO ADAPTED MOST SIGNIFICANT CHANGE

Stories of change were collected and analysed to identify and understand the most significant outcomes promoted by the Strategic Plan.

2. EVIDENCE GAP MAP (EGM)

1,491 UNDP evaluations and rapid evidence syntheses (reflections) aligned to the Strategic Plan were mapped.¹¹ The EGM visually highlights Directions of Change and Enablers with strong evidence and identifies gaps where more evidence is needed.

3. EVIDENCE SYNTHESES

A sample of independent and decentralized evaluations, reflections and audit reports were synthesized 12 to identify the contributions of Strategic Enablers (organizational performance factors and strategic positioning) to advancing the Directions of Change. This included the use of Al tools (AIDA, Azure ChatGPT API) to facilitate data processing.

4. WEB-SCRAPING

188 documents published on undp.org/publications between 2020 and 2024 were extracted to assess the relative salience of the three Directions of Change.

5. SECONDARY DATA REVIEW

Corporate documents and reports, including the Integrated Results and Resources Framework, Administrator's Reports, Strategic Plan Midterm Review, BMR, and AidData survey were reviewed with a focus on areas requiring further validation and contextualization.

6. PRIMARY DATA COLLECTION

Interviews and focus group discussions were conducted with a purposive sample of key stakeholder, including during inperson missions to the five regional hubs and selected business units. Importantly, this was complemented by data collected by ongoing ICPEs and remote consultations obtaining the perspectives of over 700 stakeholders, ensuring countries in all regions and a wide range of development contexts were covered.

7. COMPARATOR STUDY

A benchmarking study engaged with over 50 external organizations to compare UNDP with seven organizations - United Nations Children's Fund (UNICEF), World Food Programme (WFP), United Nations Environment Programme (UNEP), United Nations Office for Project Services (UNOPS), Organization for Economic Cooperation and Development (OECD), United Nations Population Fund (UNFPA), Global Energy Alliance for People and Planet (GEAPP) - representing different aspects of the development landscape, and analyse UNDP strategic positioning from a comparative perspective.¹³

8. QUALITATIVE AND QUANTITATIVE CONTENT ANALYSIS

Qualitative content analysis and multidimensional sustainability frameworks were applied to assess environmental, financial and social sustainability and long-term viability.

9. LNOB LENS

Sustainability efforts were assessed with an inclusivity lens, focusing on disability, human rights and gender for equitable development, especially for marginalized populations.

^{11 -} The EGM includes the evaluations in ERC (1,466) plus the IEO reflections (25) Rapid evidence syntheses.

¹²⁻¹¹² evaluations, 25 reflections, and 29 audit reports from Headquarters, Regional Bureaus, and Regional Hubs.

^{13 —} Two types of organizations were considered for inclusion in the study: those deemed comparable across a wide range of dimensions (mainly other large United Nations organizations with similar mandates); and those with a particularly strong record in contributing to the directions of change specifically. The final selection was made based on data availability and favourable response to collaborate by the proposed comparator organization.

EVALUATION LIMITATIONS AND MITIGATION STRATEGIES

The evaluation used a combination of mitigation strategies to address limitations. To meet deadlines and accommodate the vast scope of the study, the evaluation drew on existing and ongoing evaluations including ICPEs, thematic evaluations and external studies. Despite collaborating with ongoing ICPE data collection missions and leveraging open-source data, some data gaps remained, as identified in the EGM. The timing of the evaluation posed challenges. Conducted shortly after the Midterm Review and alongside the BMR, the evaluation was mindful to add value rather than duplicate and overburden stakeholders.

Finally, experimentation with AI tools brought some technical challenges. These were mitigated by human validation of outputs, manual processing of non-machine-readable documents, and the use of an internally developed, secure AI tool restricted to UNDP personnel to address privacy concerns. These measures ensured accuracy, relevance and data security, while maximizing the contribution of the tools to the evaluation process.





6.1 UNDP Strategic Positioning

EVALUATION QUESTION

What most significant changes affected UNDP strategic positioning?

OVERALL RESPONSE

The most significant changes that influenced UNDP strategic positioning stemmed from efforts to become a more ambidextrous organization, ¹⁴ balancing optimization of its current comparative advantage with exploration of its future niche(s); its broad mandate with a need for focus and depth; and its operational strengths with its outstanding technical expertise [13]. This balancing act included the transition from the role of Resident Coordinator to an integrator function in support of Agenda 2030, maintaining a focus on core priorities while aiming to advance a systemsoriented vision. The UNDP approach to governance was considered a key strength particularly the focus on advancing human development, protecting the planet and combating inequalities. The broad UNDP mandate, while valued for its flexibility, at times diluted its strategic focus. The potential of UNDP as a support platform of the UNDS - providing an integrator function in support of countries' efforts to implement the 2030 Agenda - showed potential, but there were challenges in fostering interagency collaboration. Additionally, UNDP reliance on earmarked funding limited its ability to pursue long-term, mission-driven goals and maintain strategic alignment. UNDP showed resilience, relevance and effectiveness in a crowded development landscape with many emerging actors and constrained resources, but fell short on some aspects of coherence, efficiency and ensuring sustainability. These dynamics prompted valuable reflections on the role and identity of UNDP. Stakeholders acknowledged UNDP strengths in governance, human development, fighting inequalities and, increasingly, on sustainable finance, while emphasizing opportunities to enhance focus, better align funding with its core strengths, and deepen collaboration with other United Nations agencies.

^{14 —} The concept of an ambidextrous organization refers to its ability to balance 'exploitation' of its current comparative advantage with 'exploration' of its future niche. Exploration involves foresight and experimentation, while exploitation focuses on optimizing existing processes and services.

FINDING 1

Value proposition, comparative strengths and clarity of offer - UNDP capitalized on the flexibility of its Strategic Plan, its global reach, broad mandate and specialized expertise in governance, to drive integrated development solutions. Sustainable finance emerged as a comparative strength over the period assessed. The thematic distinctiveness of UNDP from other United Nations agencies was compromised by insufficient focus on its core strengths, limited capabilities in key growth areas and the pursuit of diverse funding opportunities, which diluted its clarity of purpose and value proposition.

Three core strengths strategically positioned UNDP as a key partner to address systemic development challenges: its global presence; its broad mandate allowing flexibility to respond to partners' needs; and its valued expertise in governance. Evaluations, focus groups, interviews and surveys highlighted critical assets of UNDP including its on-the-ground presence, understanding of varied development contexts and trusted, long-term relationships with governments. Other multilateral and bilateral organizations, as well as civil society organizations, noted the ability of UNDP to connect actors at different levels, convene cross-sectoral conversations, and bring governance expertise to United Nations country teams, cutting across the work of all agencies. The comparator study for this evaluation confirmed the added value of UNDP within a crowded landscape of actors, particularly on normative work and climate governance.

This historic convening power of UNDP bolstered sustainable finance, advancing UNDP leadership in the integration of the governance of climate goals into economic frameworks. Over four years as Secretariat of the G20 Sustainable Finance Working Group,

UNDP supported its engagement with international organizations, including ten United Nations-affiliated agencies, and public and private entities and networks, to inform discussions on the alignment of global financial systems with Agenda 2030 and the Paris Agreement.¹⁵ UNDP facilitated the development and endorsement of key frameworks and tools fostering the interoperability of governance systems.¹⁶

The wide-ranging mandate of UNDP sometimes appeared to dissipate its focus, though governance was identified as a distinctive niche. The comparator study of seven organizations showed that, with the possible exception of governance, the main thematic areas of UNDP work were crowded with major actors, all seeking the same dwindling resources in a similar way. Many respondents to the comparator study believed that other United Nations agencies were now the main competitors of UNDP. Many sources confirmed governance as a key strength of UNDP, with a clear call for UNDP to further clarify governance as its core focus — not merely an enabler of its broader work but its distinct niche and recognized identity [14-24]. This is particularly critical in

^{15 —} See https://www.undp.org/press-releases/undp-launches-global-initiative-align-financial-centres-climate-goals-ndcs and G20 Sustainable Finance Roadmap https://g20sfwg.org/.

^{16 —} This included deliverables for: increasing the interoperability and credibility of alignment approaches (i.e., G20 Principles for Sustainable Finance Alignment, the G20 Sustainable Finance Framework, the Principles for Credible, Robust and Just Transition Plans); strengthening the global sustainable finance architecture; and supporting consistency in sustainability-related financial disclosures. UNDP facilitated the active adoption and implementation of recommendations from the G20 at regional and country level (e.g., Enabling and Scaling up Nature-related Financial Disclosures project, common frameworks of sustainable finance taxonomies in RBLAC, Sustainability Disclosure and Management Hubs.).

the context of declining multilateralism, eroding trust in democracy, and rising polarization. Furthermore, some member States, UNDP staff and partners noted that UNDP is broadly perceived as a generalist, and since UNDS reform has been in an "ongoing identity crisis". This highlights the importance for UNDP to prioritize its core strengths, while serving its integrator function, and recognizing that a focus on governance is cross-cutting in United Nations country teams.

UNDP operational services to the United Nations were also highly valued, helping to maintain collaboration throughout the delinking process and beyond, and a significant core strength. UNDP continued to provide high quality administrative services to the Resident Coordinator system, though new arrangements mean that other United Nations entities are now also bidding to provide services.¹⁷

Strong national-level relationships and reliance on non-core funding presented both opportunities and challenges for UNDP strategic positioning. Across sources, the extensive presence of UNDP and close partnerships with governments were often mentioned as a strength. However, some concerns were raised regarding the implications of these ties for UNDP to be able to support or advocate explicitly for United Nations values, such as human rights [39]. Additionally, respondents highlighted that an increasing reliance on non-core funding, while expanding resource availability, could limit the ability of UNDP to fully align its agenda with strategic priorities, when funders influence programme focus [30].

There were signs of a potential disconnect between UNDP areas of strength and the areas identified by

senior management for future growth. Internally, the areas of crisis/humanitarian/resilience, digitalization and climate were identified as the top priorities over the next 5-10 years. However, external stakeholders rated the most effective areas of UNDP effort to be gender equality, human rights, peace, justice and poverty. The 2023 Brand Perception Study found lower effectiveness in the areas of climate and nature, digitalization, crisis and conflict, and affordable and clean energy, highlighting potential gaps in strategic coherence. An alternative interpretation of this data could be that higher effectiveness is seen in the traditional areas where UNDP benefits from the weight of history, and work in these new strategic areas may require more long-term investment, suggesting that further discussion is needed on the balance between old and new areas.

Competing priorities and external demands risk dissipating the UNDP focus on its core strengths. Staff, partners and comparators highlighted the need to shift away from funding that diverts the focus from UNDP key strengths, and constrains integrated systems approaches and alignment with its core mandates [14]. Respondents stressed the need for greater clarity on UNDP distinct strengths. Some advocated for narrowing its focus (a "smaller UNDP"), while others emphasized strengthening integrated approaches and systemsthinking, with governance as the defining UNDP strength which would enhance its contribution to United Nationswide collaboration. However, the evaluation found that systems-thinking and integration are hindered by gaps in capacity, understanding, tools, business models, funding, capabilities and insufficient partner demand and buyin. Table 2 summarizes the risks and potential UNDP comparative strengths in six thematic areas drawn from the comparator analysis.21

^{17 —} Section 6.4 on organizational efficiency and effectiveness explores administrative services to other agencies.

^{18 —} Among many other similar statements, the Indonesia ICPE (2024) data identified: "UNDP broad development mandate is an advantage that it has over other United Nations agencies and it has used this broad mandate to position itself as a highly responsive agency that can assist in solving almost any development problem. This is also a disadvantage as UNDP runs the risk of responding to everything (provided it can access funding) and ending up with a large portfolio of projects that do not necessarily reflect UNDP added value."

 $¹⁹⁻See\ \underline{https://www.ohchr.org/sites/default/files/documents/hrbodies/hrcouncil/inter-session-meetings/technical-cooperation/inter-session-techcarsten-staur.pdf$

^{20 —} The UNDP Resource Mobilization Strategy objective is to "secure adequate and quality funding for the full implementation of UNDP Strategic Plan 2022-25".

^{21 —} This is for illustrative purposes to demonstrate the current crowded development landscape, and not intended as recommendations.

TABLE 2: Governance is the area with the lowest concentration of actors, giving UNDP a larger comparative strength²²

| Thematic Area | Concentration of actors | Risks and disadvantages | Potential comparative strengths |
|--|-------------------------|--|---|
| Governance | LOW | Close ties to governments can create reputational risks when UNDP provides support without simultaneously advocating (or being seen to be advocating) for or programming around United Nations values, such as human rights. | levels. Build evidence to define "truste |
| Poverty, inequality and LNOB | MEDIUM | Lack of systematic accountability and clarity of roles for who is responsible for delivering on LNOB goals and challenges reaching the furthest behind. | accountability can link traditional povert programming to emerging areas like digita |
| Conflict, natural disasters and the nexus | HIGH | Growing involvement and interest but also competition as other agencies claim to be better placed to respond, though some also indicate the need for UNDP to help them better respond in the HDP nexus context. | Strong position to support HDP nexu integration in crisis contexts. |
| Climate | HIGH | Poor tracking of normative work system- wide reduces impact; new actors are entering traditional areas. | Leverage collaborative advantage is normative work and lead tracking collimate-related results across the United Nations system. |
| Digital | HIGH | | Focus on digital inclusion to enhance UND capacity and role in bridging digital divides |
| Future of Development | нівн | HDR and signalling work risk getting lost in a crowded "thought leadership" market, including within UNDP. | Reframe thought leadership as a cooperative effort to unify United Nations development messaging and advocacy. Link research with innovative data techniques. |

^{22 —} Table 2 highlights evidence from the comparator study only. UNDP has many other strengths highlighted by other sources of evidence - such as work on just energy transition, biodiversity protection, bioeconomy - not mentioned by comparators.

A more collaborative approach would align with United Nations values and strengthen UNDP positioning in an increasingly crowded development landscape. As other United Nations agencies also refine their messaging and try to mobilize private sector and International Financial Institution (IFI) funding and partnerships, UNDP faces heightened competition. 41 percent of UNDP senior leaders identify this as the greatest threat to its business model over the next 5 to 10 years.²³ While collaboration has demonstrated better development outcomes, particularly in the Humanitarian-Development-Peace (HDP) nexus, UNDP risks being overshadowed by agencies with more defined mandates, especially post-UNDS reform and amid the ongoing polycrisis [23, 24, 26]. Furthermore, UNDP does not benefit from humanitarian funding streams, whereas other agencies can access humanitarian and development funding, creating an imbalance in resource allocation. However, as the integrator and governance expert, UNDP has the opportunity to enhance the United Nations collaborative advantage. UNDP brings a distinctive skill set, specializing in the "HOWs" of development, positioning it to lead in fostering collective impact within the United Nations. Over the 2022-25 Strategic Plan period, UNDP planted the seeds for such an approach, including the 'SDG Push' initiative and flagship assets in knowledge networks (SparkBlue) which engaged 40 United Nations entities and provided distinct services for the deployment of experts to 12 United Nations partners.24

A lack of clarity in the UNDP value proposition and Strategic Plan hindered its ability to fully leverage United Nations collaborative advantages. The Strategic Plan outlined a comprehensive sustainable development offer requiring collaboration; but overlapped with the mandates of other agencies. Furthermore, confusion between Directions of Change, Signature Solutions and Enablers caused ambiguity: for example, 'resilience' was identified as both a Direction of Change and a Signature Solution. Some stakeholders perceived conflict between the concept of Signature Solutions and the principle of integration. Concerns were particularly raised about UNDP Signature Solutions in areas such as the environment, energy and gender, given the expertise of other United Nations agencies in these areas. This was seen by some donors and agencies as funding-driven rather than aligned with UNDP strengths. Lack of clarity over the role of the Enablers, such as digitalization and sustainable finance—often seen as focus areas—added to the complexity. This was further exacerbated by the proliferation of thematic hubs, 25 alongside subregional hubs, regional centres and global policy centres. Ambiguities surrounding "moonshots," and their integration into results frameworks and impact measurement, compounded these challenges.²⁶ While senior management appreciated the broad framework of the Strategic Plan as a "license to operate", 27 staff relied more on country programme documents (CPDs) and policy papers for strategic and programmatic guidance, questioning the necessity of the Strategic Plan.²⁸

^{23 —} AidData, Listening to Leaders. 360 Degree Feedback on UNDP Performance from Partner Countries. This perception was corroborated by the Amman and Istanbul hub interviews.

^{24 —} The Integrated Policy Practitioner Network is anchored in UNDP knowledge networks, co-led with 10 United Nations entities and is the foundation for a new global expert deployment mechanism to enhance integrated approaches in United Nations country teams, in partnership with Joint SDG Fund. The SDG Push initiative, "An Integrated Approach to Accelerate the SDGs," is supported by key resources, including the Global Sustainable Development Report (2023), SDG Push Diagnostic, SDG Insights digital reports, and country-specific Acceleration Pathways publications.

^{25 —} Sustainable Finance Hub, Resilience Hub, Climate hub, Sustainable Energy Hub, Innovation hubs, Timbuktu Fintech Hub.

^{26 —} Triangulated interview data from five regional hubs and UNDP, All Staff Survey on Strategic Plan, October 2024.

^{27 —} All Staff Survey, focus group and interview data, corroborated in various thematic and country programme evaluations. UNDP IEO (2024) Al-Enabled Synthesis: Strategic Positioning.

^{28 —} Triangulated interview data from five regional hubs and focus country interviews.

FINDING 2

Systems-thinking and the UNDP integrator function - The UNDP Strategic Plan and efforts demonstrated a growing commitment to integration and systems-thinking. However, as the focus shifted to implementation of these concepts, against the backdrop of UNDS reform, the potential of UNDP was limited by uncertainties around the UNDP integrator function.

The promotion of Directions of Change, Signature **Solutions** and portfolio approaches, reflected UNDP commitment to integration and its growing understanding of systems change. Theories of change programming efforts, CPDs incorporated systems-thinking, and projects aligned with multiple Signature Solutions. Some country offices adopted portfolio approaches, supported by a policy developed by the Bureau for Policy and Programme Support (BPPS) and launched by the Administrator in March 2024. This shift in UNDP - from development settings to the more systemic approach of the Directions of Change - reinforced the relevance of integration and systems-thinking to sustainable results, though there was some confusion regarding the differences and applications. UNDP advanced integration through cross-sector coordination, but progress was slower in strengthening the understanding and implementation of systems-thinking to address interconnections, root causes and systemic dynamics for transformative change. To strengthen this understanding, and develop the necessary capabilities, in 2024 UNDP launched a portfolio policy and new corporate structures such as a competency framework, amended job descriptions, and new learning programmes. As these initiatives aimed to enhance systemic approaches over time, it is too early to assess their impact. Portfolios represent a strategic effort to improve integration and tackle complex challenges, but are not inherently synonymous with systems-thinking. Achieving meaningful and sustainable impact requires exploring diverse methodologies that foster deeper integration across work areas and partnerships. UNDP has made progress in proposing integrated solutions, but

continued investment in and assessment of the portfolio approach should be complemented by a comprehensive, adaptive framework to address the interconnected nature of development challenges.

The latest major effort to operationalize systems-thinking under this Strategic Plan was the portfolio approach. Promising results emerged in several initiatives, for example, in Tunisia, Bosnia and Herzegovina and over 15 cities in the Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) region. In Serbia, cities reframed their approach to depopulation, with a focus on systemic approaches to identify strategic actions and support through SDG Integration "First Mover", 'Deep Demonstrations' and the portfolio approach.²⁹ Similar 'first mover' efforts were followed in Uruguay with a combination of portfolio and Accelerator Lab support. UNDP staff widely recognized the value of the portfolio approach, though most portfolios were at early design or exploratory stages, with limited systemic change observed so far. Many efforts were tied to standardized outputs and challenged by the fragmented, sector-based, short-term focus of the development landscape and project funding. Positive examples of sustaining stakeholder engagement beyond the design phase were found in Bhutan, Paraguay and Tunisia, where ongoing involvement demonstrated the potential of consistent collaboration. However, in most cases, sustained engagement was a challenge as stakeholders reverted to traditional roles, limiting systemic ownership [90, 121, 122]. See more findings on portfolios in section 6.3 - innovation enablers.

Despite progress, significant challenges remained in scaling integration and embedding systems-thinking into UNDP initiatives. Signature Solutions unintentionally reinforced silos, and there were challenges to promote and implement portfolios, integration and systems-thinking. Technical expertise, operational platforms, funding models and guidance remained insufficiently conducive of true systems-thinking. Most efforts remained project-based, lacking sustained cross-sector integration or systemic approaches. The Strategic Plan incorporated the theory of systems-thinking, but implementation faced hurdles. For instance, some stabilization projects prioritized infrastructure rehabilitation without addressing the root causes of instability, some cash-for-work programmes lacked alignment with sustainable livelihoods; and some renewable energy initiatives progressed independently of broader governance frameworks, limiting scalability. Similarly, some support to micro, small and medium-sized enterprises (MSMEs) was compartmentalized, reducing systemic impact. There were gaps in technical expertise, limitations in aligning thematic solutions with systemic objectives, and inconsistencies in operationalizing integration with UNDS. These barriers are not unique to UNDP, they are encountered across the broader development ecosystem including with government partners and in donor countries where respondents noted similar challenges: siloed, sector-specific strategies; short-term, fragmented funding efforts; and limited capacity to address complex, multi-layered issues that span sectors and disciplines.

UNDP navigated the UNDS reform with resilience, maintaining its relevance, though its integrator function with the UNDS was underutilized. Until 2019, the Resident Coordinator role had been within UNDP, and under the reform this was moved under the Secretary-General, with support from the new DCO. This transition required swift action, including recruiting 127 new Representatives, adapting support structures for United Nations agencies, and implementing financial

adjustments. UNDP contributed \$10.6 million per year (2022-2023) from core resources —more than any other agency—plus a 1 percent levy to the Resident Coordinator system.³⁰ Respondents, including DCO regional directors, praised the collaborative way UNDP handled the transition. Subsequently, the UNDP Strategic Plan 2022-25 framed the reform and integrator function as an opportunity to drive systemic integration to advance the SDGs. It emphasized developing "...integrated approaches that apply combinations of solutions for greater impact... and to deliver integrated development solutions," and did not explicitly mention UNDP as the support platform of the UNDS providing an integrator function as indicated in the resolution. In this way, the Strategic Plan sought to differentiate integration from the DCO role in coordinating the UNDS, focusing on substantive integration to achieve Agenda 2030. However, many internal and external stakeholders, particularly at regional level, perceived limited clarity on the operationalization and scope of the UNDP integrator function with UNDS, hindering its full potential for collaboration.

There is some evidence that UNDP applied its integrator function in practice by leveraging collaborative advantages, such as its analytical capabilities and convening power [27-29]. Notably, UNDP supported the development of the 'Six Key Transitions' investment pathways to deliver the SDGs,31 and operationalized the integrator function through a set of digital SDG acceleration tools, methodologies and approaches the aforementioned 'SDG Push'. UNDP reported that these tools were used to identify SDG accelerators in 100 countries ahead of the 2023 SDG Summit, although this was not fully validated with partners, and the full toolkit (with dedicated support and training) was made available to the UNDS and incorporated into guidance for the Common Country Analysis and United Nations Sustainable Development Cooperation Framework. Respondents noted the importance of further engagement with technical agencies and enhanced

^{30 —} A new funding model for the Resident Coordinator system includes doubling UNSDG cost-sharing contributions, voluntary member State contributions, and a 1 percent levy on tightly earmarked third-party development contributions. UNDP is now a net contributor, not recipient, of coordination funds. For details, see UNBOA (2023) "UNDP Financial Report and Audited Financial Statements for the Year Ended 31 December 2022". https://undocs.org/en/A/78/5(Vol.I).

collaboration and coordination with the DCO and Resident Coordinator system. Several comparators indicated that, by refining its integrator function, UNDP could leverage its core strengths and capacity for exploration and innovation, for greater collaborative advantage of the UNDS.

UNDP documented its approach to the integrator function through a global 'SDG Integration' programme, though buy-in was limited. Some agencies called attention to the lack of common understanding and clear articulation of the UNDP integrator function, notably the United Nations Sustainable Development Group (UNSDG) System-Wide Evaluation Office and the United Nations Board of Auditors (UNBOA).32 UNBOA recommended a dedicated strategy to delineate the UNDP functions of integrator and service provider, reduce misunderstandings with agencies, partners and member States, and enable UNDP to build on its strengths and better support the UNDS and the countries it serves. UNDP accepted this recommendation, indicating that the Strategic Plan 2022-2025 provided a framework for integrated development solutions. The 'SDG Integration programme' constituted a concrete manifestation of the integrator function, yet its operationalization was unclear to external partners and some internal respondents, some of whom noted that the discourse around delivering integrated solutions lacked "humility" and a realistic appreciation of UNDP capabilities and the challenges for systems change. Comparator organizations advised UNDP to further leverage the United Nations collaborative advantage by complementing the mandate specialized agencies.



^{31 —} UNSDG, Six Transitions: Investment Pathways to Deliver the SDGs: https://unsdg.un.org/resources/six-transitions-investment-pathways-deliver-sdgs.

^{32 —} For example, UNSDG (2024) "A visible shift – the independent resident coordinator": "There is lack of a shared understanding and clear articulation, including in the MAF, of UNDP integrator function. According to the system-wide evaluation on COVID-19, this was a particular issue during the COVID-19 period and the preparation of the socioeconomic response plans, to the detriment of the lead coordinating role of the resident coordinator". See also: UNDP IEO (2021) 'Evaluation of the UNDP Strategic Plan, 2018-2021'.

FINDING 3

Financial approach and funding model. - The decline in flexible (core) funding limited UNDP ability to allocate resources effectively to achieve the Strategic Plan vision.

Financing implementation of the Strategic Plan occurred amidst a climate of "politization of aid," focusing on COVID-19 recovery, refugee inflows in donor countries, and humanitarian crises.³³ The Strategic Plan projected a resource envelope of US\$ 21.6 billion, including \$3 billion in core flexible funding. As of December 2024, \$25.7 billion had been budgeted for the 2022-2024 period, but only \$1.8 billion of this was core funding.³⁴ A Corporate Resource Mobilization Strategy was designed in 2022/23 to secure funding for the Strategic Plan [30]. However, many donors continued to prioritize earmarked contributions and short-term emergency responses over core flexible funding and investment in long-term development.³⁵

UNDP faced a challenging operating environment, due to trends in official development assistance (ODA) and international development finance, combined with funding volatility, reduced budgets and declining trust in multilateralism. The growing emphasis on short-term humanitarian action, allocated to this area in 2023, has shifted resources away from long-term development objectives. The global aid landscape has been reshaped by the emergence of China as the largest source of international development finance, and an overall decline in ODA to developing countries—including a 30 percent

reduction for Least Developed Countries (LDCs) [25].³⁶ Furthermore, the increasing share of ODA directed to autocratic regimes, alongside rising external debt service burdens and a sharp drop in debt-related aid, has heightened financial and governance complexities [31, 32]. These trends have significantly influenced the operating context for UNDP, shaping how resources are allocated and how the Strategic Plan is addressed.

UNDP funding has declined since 2021, with expenditure shifting towards the Resilience and Energy Signature Solutions, in response to evolving priorities related to crises, opportunities, and donor behaviour. While Governance and Poverty remained key focus areas for UNDP, 2023 saw a significant change in terms of expenditure for Resilience, driven by changes in the aid context, alongside increased funding for Energy, aligned with climate resilience goals, and Gender, supported by core resources.

^{33 —} According to recent OECD data, contributions earmarked for humanitarian assistance, responses to the COVID-19 pandemic, and Ukraine have risen by more than 400 percent over the past decade, compared to a 43 percent increase in other multilateral contributions. See OECD (2024), Multilateral Development Finance.

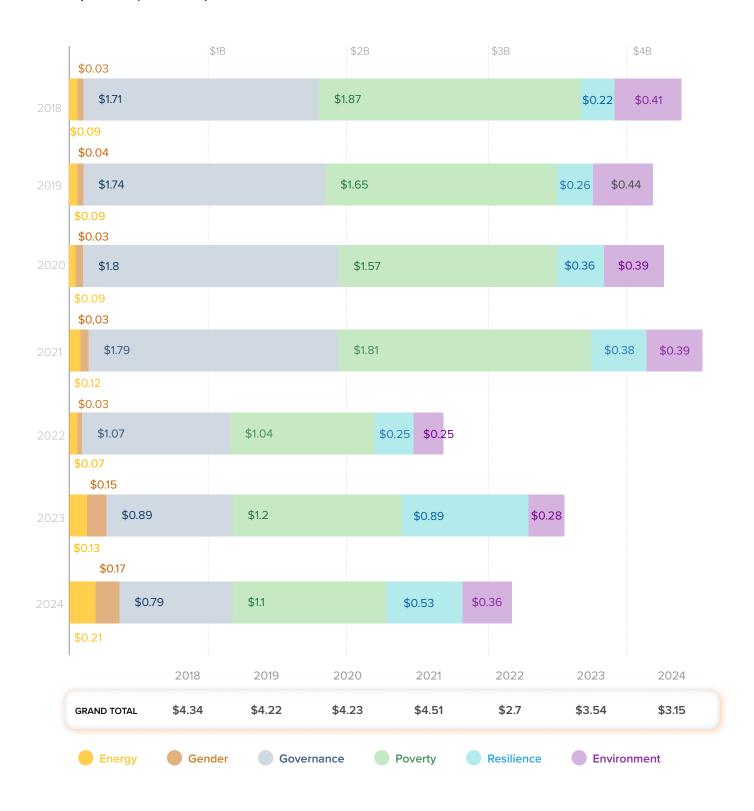
^{34 —} IEO Data Mart (UNDP Quantum and Atlas, 9 December 2024). For 2018-2021: budget \$28.1 billion; expenditure \$21.4 billion, including \$2.7 billion core. Data sourced from the UNDP Data Warehouse and IATI uses General Ledger accounting, reflecting incurred expenditure only. Post-2023 Atlas-Quantum migration, \$3 billion remains unclassified between core and non-core funding.

^{35 —} The 2024 QCPR reinforced commitments under the Funding Compact, reaffirming the relevance of multilateral solutions to addressing global development challenges and of flexible and predictable funding for the UNDS. See: https://unsdg.un.org/funding-compact 36 — UNSDG funding compact.

Signature Solutions by Expenditure (2018 - 2024)

FIGURE 1:

UNDP expenditures have become increasingly more diversified across areas. Poverty and Governance remained central priorities (2018-2024)³⁷ in Billion US\$



Source: UNDP Independent Evaluation Office, Financial data from UNDP Quantum and Atlas, extracted in December 2024, pending reconciliations. *Note: Funding tagged as 'Not Applicable' or untagged is excluded from this graph.

The growing reliance of UNDP on earmarked funding, and the decline in flexible, stable core resources, constrained its ability to pursue long-term, missiondriven goals. In 2023, core funding accounted for 11 percent of total funding (or \$566 million),³⁸ having stagnated at 11-13 percent over the previous two strategic plans, particularly after the 2008-09 global financial crisis, versus 89 percent (or \$4.42 billion) non-core.39 Traditional core donors shifted to earmarked funding, contributing to the "bilateralization" of funding, where donors directly engaged with UNDP through bilateral partnership agreements. Direct government financing from programme countries was another growing practice, particularly in Latin America and the Caribbean. However, there was no certainty over sustaining and scaling this growth, and growing dependence on restrictive, non-core funding undermined the coherence needed to sustain the Strategic Plan focus on structural transformation, resilience-building, and LNOB-objectives that required consistent, long-term investment.

This funding landscape challenged the clarity of the UNDP budget process, making it difficult to understand whether overall resources were sufficient to achieve its strategic objectives, or were used effectively. The Integrated Resource Plan and Budget 2022-2025, which accompanied the Strategic Plan, did not provide a clear link between all resources and programmatic results, but focused on the use of core resources and allocation to support staff positions at higher level.⁴⁰ Most UNDP

country-level resources continued to be negotiated locally, including government cost-sharing, an issue raised by UNBOA in 2022.⁴¹

These funding practices hindered strategic resource allocation and budget processes, as UNDP flexibility was limited to core resources. Despite previous recommendations and UNDP management IEO acknowledgment of the issue — including by indicating that it would pilot and propose to the Executive Board a revision of the criteria for allocation of regular resources to better align with countries' development needs progress in advancing a vision for the Executive Board to revise its resource allocation formulas has stalled. Programme resource allocation formulas continued to rely on outdated criteria based primarily on income and population size.42 This approach failed to capture the complex, multidimensional nature of poverty and exclusion and was misaligned with the United Nations commitment to inclusive strategies that prioritize LNOB. As a result, the UNDP budget process and allocation formula disproportionately impacted middle-income and net-contributing countries with high levels of inequality, limiting their ability to effectively address pressing needs.43 Although UNDP recognized the need to refresh these criteria, adjustments were also needed to address the needs of LDCs and Small Island Developing States (SIDS). Aligning allocation criteria with the broader United Nations strategy — beyond gross national income — is long overdue. Consultations with Resident Representatives

 $^{37 - \}text{The UNDP}$ resource tagging system, with its overlapping classifications, complicates precise financial analysis, particularly for the inherently integrated Directions of Change; therefore, the report utilized the more consistent Signature Solutions tagging for analysis.

^{38 —} A significant decline from 75 percent in 1992.

^{39 —} UNDP funding composition reveals a diverse picture in each of the regions. Overall funding since 2018 has been growing in RBA; dipped then rose in RBEC and RBLAC; was stable in RBAP; and rose then dipped in RBAS. Third-party cost-sharing, government financing and vertical funds remain the top sources.

^{40 —} In decision 2021/15 the Executive Board approved a single appropriation of \$1,193.8 million, against an estimated \$28.2 billion of total resources for the Strategic Plan 2022-2025. By contrast, UNICEF's Executive Board approved an integrated resource plan encompassing both regular and other resources, with separate appropriations for global and regional programmes, the institutional budget, cost recovery income, and other receipts.

^{41 —} A/78/5/Add.1 UNDP Financial report and audited financial statements for the year ended 31 December 2022 and Report of the Board of Auditors. 42 —The Programming Arrangements were last negotiated in 2012 (DP/2012/15).

^{43 —} Currently, there are around 30 LDCs, with five projected to transition to MIC status by 2030, while poverty is high in MICs due to inequality, with major concentrations projected in Nigeria, Pakistan and India. These trends indicate that most global poverty will soon be concentrated in MICs rather than LDCs, signalling the need for UNDP to realign its resource mobilization and allocation strategies.

and Deputies highlighted how these limitations hindered the capacity of UNDP to effectively leverage in-country resources.

UNDP was reliant on a small group of donors for funding, creating vulnerabilities to shifting donor priorities or the emergence of new funding mechanisms, and further impacting UNDP financial stability and flexibility. To address these risks, UNDP explored a renewed emphasis and expansion of its Funding Windows, as the primary

vehicle for flexible thematic contributions. By broadening the scope and appeal of these Funding Windows, UNDP aimed to attract a more diverse range of donors, enhance its ability to pool resources for strategic priorities, and reduce its dependence on earmarked funding. This approach was intended to ensure more predictable and sustainable funding to support UNDP core objectives, including resilience-building, structural transformation and inclusive development.

FIGURE 2:
UNDP overall funding has declined since 2021, in parallel with a growing reliance on non-core resources (2020-2024)



^{*}Note: Untagged funding is excluded from this graph.

Source: UNDP Independent Evaluation Office, Financial data from UNDP Quantum & Atlas, extracted in December 2024.

UNDP remained a leading agency in accessing vertical funding. It secured significant contributions with partner countries from the Global Environment Facility (GEF), Green Climate Fund (GCF), and Global Fund for AIDS, Tuberculosis, and Malaria (Global Fund). Its strong relationships, expertise and global footprint were key drivers of this success. However, this reliance on vertical funds came with strategic risks, as the funding was often tied to narrowly defined objectives. Leveraging the opportunities offered by vertical funds with the need for flexible, mission-aligned resources remained a critical challenge for UNDP.

The donor base for ODA broadened within the United Nations, but UNDP did not fully capitalize on this growth. UNDP overall funding growth lagged behind its peers, with flat contributions over the past decade. It faced strong competition from other development and humanitarian actors, and barriers in engaging new funding sources. 44 Efforts to diversify funding by engaging underrepresented donor countries, building partnerships with IFIs, and collaborating with the private sector faced operational challenges and limitations in presenting a compelling value proposition. These factors highlighted the complexities of navigating an increasingly competitive funding environment while addressing internal and external barriers.

Evidence highlighted the need for UNDP to adapt its funding model, reduce donor dependency, and strengthen resource mobilization to ensure long-term financial stability and operational effectiveness. While discussions through the BMR were exploring new funding models, UNDP faced intensified competition from other United Nations entities pursuing similar strategies amid limited resources [14]. The BMR and related discussions pointed to the need for innovative approaches, such as diversified funding streams, strengthened cost recovery practices, and enhanced donor engagement strategies.

^{44 —} The cumbersome due diligence process for all private sector partnerships (small and large) remains a key impediment for country offices to support MSME projects, work with high-risk sector companies (especially oil/gas companies) or engage in innovative finance initiatives. UNDP enjoyed strengthened non-financial and financial partnerships with IFIs, with increased direct and indirect contributions, but it is not in the IFI business model or mandate to fund the core operations of the United Nations.

6.2. Directions of Change

This section evaluates the effect of the vision set out by the UNDP Strategic Plan, with a specific focus on the Directions of Change: Structural Transformation; Building Resilience; and Leaving No One Behind.

EVALUATION QUESTION

What most significant changes have contributed to the achievements of the Directions of Change of structural transformation, building resilience and leaving no one behind?

OVERALL RESPONSE

The Strategic Plan drove significant changes that advanced integrated approaches to structural transformation, resilience-building and LNOB. Moving away from traditional programming based on development settings, UNDP adopted Directions of Change strategies rooted in systems-thinking, and adaptable to all development contexts. The most significant inclusive, green and digital transition initiatives contributed to entrepreneurship, MSMEs and job creation; biodiversity conservation; the transition to renewable energy; and expanded digital services to improve governance, healthcare and economic opportunities, particularly for marginalized groups. The most significant resilience-building efforts scaled local solutions to address regional and global challenges, leveraging knowledge to prevent and respond to crises. The COVID-19 pandemic highlighted the importance of integrated resilience measures, leading UNDP to embed sustainable solutions into development agendas, strengthen efforts on the HDP nexus, further align crisis responses with long-term goals, and support continuity of essential services. A renewed commitment to LNOB was a significant change that facilitated more equitable programme designs, expanded access to social protection, renewable energy, justice and health systems, and the empowerment of marginalized populations. Despite these achievements, challenges arising from the polycrisis and an evolving development landscape exposed inefficiencies in fragmented funding and efforts.

The following sections provide illustrations of these significant changes, as well as the associated challenges and areas for improvement.

DIRECTION OF CHANGE: STRUCTURAL TRANSFORMATION

The Strategic Plan committed to fostering systemic and structural changes to advance sustainable development. This included driving green, inclusive and digital transitions by integrating climate-resilient practices,

promoting energy transition, and leveraging digitalization. These efforts aimed to create sustainable economic systems and equitable access to opportunities, ensuring long-term resilience and progress.⁴⁵

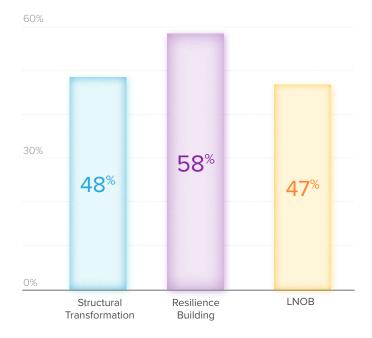
FINDING 4

Structural transformation - The advancement of a systems approach, integrating inclusive, green and digital transitions across all development settings, was the most significant change in driving structural transformation during this period.

The current Strategic Plan made a positive shift from focusing on development settings to emphasizing the integration of all three Directions of Change, regardless of context and fragility status. For example, by embedding digital innovation, energy transition and nature-based solutions into economic recovery efforts, UNDP facilitated structural transformation that made development outcomes more sustainable and inclusive. The Renewed Strategic Offer for Africa illustrated the UNDP approach to Structural Transformation, integrating inclusive, green and digital solutions to promote resilient and contextspecific growth. In other examples: Brazil revised private investment infrastructure regulations in various sectors, including airport and railroad concessions with associated green bond issuance; Montenegro strengthened policy frameworks on innovation, smart specialization and women led MSMEs; Viet Nam developed strategic plans on inclusive economic growth and the industrial revolution; Equatorial Guinea promoted diversification to reduce income dependency on oil; while Egypt advanced an economic reform focusing on financial inclusion and integrated local development for the poor, women and youth [18, 32-36]. Approximately 50 percent of UNDP evaluations highlighted the relevance of integrated approaches in the achievement of structural transformation (see Figure 3).

FIGURE 3

2020 - 2023 Evaluation reports indicating integration approaches



Source: IEO 2024 SPE - Evidence Gap Map

Progress in cross-sectoral integration was evident, but there was limited application of systems-thinking aligned to theories of change, other than those in the CPDs. Working systemically across economic, social and environmental dimensions remained challenging, with most efforts focusing on two of the three transitions (e.g., green and inclusive or green and digital) [37]. Countries benefitted from cross-sectoral strategies that addressed competitiveness, economic diversification, social protection, job creation and skills development [16]. UNDP engagements on employment and livelihoods were often too narrow to be considered labour market interventions. Skills development for poor and vulnerable workers, while successful at pilot level, had limited effect on system-level change [39]. However, without increased partnerships, a forward-looking approach to economic diversification, and more equitable resource allocation for middle-income countries (MICs), these efforts were more fragmented and had lower impact [40].

Private sector engagement was a critical but underutilized driver in promoting structural transformation, particularly given its key role in achieving the SDGs. UNDP collaboration with private entities showed the potential to foster sustainability, but lacked scale and systemic integration. Many efforts were limited to pilot initiatives or sector-specific activities. A clear strategy to leverage private sector expertise and resources, including targeted frameworks, investment incentives and alignment with broader SDG objectives, was necessary to bridge gaps in funding, innovation and inclusivity, for scalable change to address inequality.

FINDING 5

Inclusive transitions - The most significant changes to inclusive transitions included the shaping of inclusive policies, support to MSMEs, and creating jobs for people from marginalized groups. The limited availability of technical expertise in certain areas, particularly at country level, and a narrow focus on systems change constrained broader, more scalable results.

Inclusive transition initiatives promoted rights and helped to empower those at risk of being left behind, including due to sex, age, disability and ethnicity [41]. The initiatives that achieved the greatest alignment, targeted success incorporated policy capacity-building and context-specific partnerships with marginalized communities. For instance, Nepal established a microenterprise development model, aligned with inclusive growth goals, to empower women and indigenous minorities while fostering value-chain growth and MSME linkages [42]. In Haiti, employment opportunities were created for young people and women through youth-targeted MSMEs and resources for women and youth-led cooperatives [20]. Similarly, Ecuador prioritized youth and women entrepreneurs in adopting

digital tools to sustain pandemic-hit businesses [43]. The Enhanced Rural Resilience in Yemen Joint Programme advanced gender equality, women's empowerment, and gender-transformative change by fostering women's inclusion across implementation, assessment and evaluation stages. In this way, the project addressed the specific needs of rural women and cultural barriers in Yemen, to ensure that the activities were both accessible and culturally acceptable. UNDP initiatives in Colombia, Guatemala, Barbados and Uruguay demonstrated the value of integrating youth-specific interventions within broader South-South cooperation efforts, showcasing a commitment to elevating the voices of young people, and their potential as agents of change [44].⁴⁷

^{46 —} ICPE Yemen 2024 data collection.

⁴⁷ — The Global South represents 85 percent of the world's population and nearly 39 percent of global GDP.

See https://lkyspp.nus.edu.sg/gia/article/what-does-the-rise-of-the-global-south-mean-for-the-world;

Supporting MSMEs was key to driving economic growth and reducing poverty, but efforts often lacked the integrated and sustainable strategies needed for long-term impact. UNDP contributed to job creation, income generation and competitiveness, particularly for marginalized groups, but short project timelines, limited scalability, and weak links to broader policies constrained these efforts [58]. A focus on direct assistance, without strengthening markets and value chains, hindered progress in accessing new markets, diversifying economies, and integrating MSMEs into global supply chains [40]. Gender-focused initiatives, critical to young women's economic empowerment, encountered challenges due to insufficient intersectional strategies and weak mechanisms to measure success, complicating alignment with the LNOB principle and the achievement of lasting benefits [41]. These limitations affected the outcomes and sustainability of some MSME initiatives, highlighting the need for integrated strategies to maximize impact and inclusiveness [44]. Despite challenges in supporting MSMEs, the regional "Aid for Trade in Central Asia" project stands out as a positive example. Its multi-tiered approach addressed micro (MSME support), meso (value chain and trade institution strengthening), and macro (policy and regulatory framework improvement) levels. The project established green and niche value chains in countries like Kyrgyzstan, Tajikistan and Uzbekistan, enhanced MSME productivity and export-readiness through capacitybuilding and mentorship programmes and facilitated enabling environments for private sector growth [45].

UNDP initiatives to address the informal economy and expand social protection and insurance coverage for workers highlighted its commitment to inclusive transitions and the LNOB principle [39, 46]. Financial and social services, along with partnerships with government institutions, were essential in enhancing social protection, improving service access, and fostering inclusion for the furthest behind [39]. For example, UNDP helped

Cambodia to advance the new On-Demand version of the IDPoor system for targeting and piloting social protection schemes; and the Dominican Republic to strengthen the Unified Beneficiary System, advancing multidimensional targeting, database interoperability and tailored communication strategies tailored to vulnerable households [39, 47]. Haiti leveraged South-South cooperation to develop its Unified Register of Beneficiaries, while Honduras implemented a cash transfer solution for self-employed workers impacted by COVID-19 and amplified data registration to include informal and offline workers {20].48 This recognises access to the internet as a key factor of LNOB, which risks further marginalization of some groups such as older people and people with disabilities. Similarly, activities of the Yemen Joint Programme contributed to women's empowerment, including approaches to address structural barriers to gender equality and embed gender-sensitive interventions into efforts to expand social protection and economic inclusion.49

Inclusive business ecosystems showed noteworthy benefits various sustainability across contexts. with implications particularly for youth economic empowerment [40]. For example, in Ukraine, UNDP collaborated with Business Membership Organizations, including youth- and women-led groups, to enhance public-private cooperation, and enable them to provide critical policy insights and digital services tailored to entrepreneurs, [48]. In Ethiopia, UNDP supported the establishment of the Capital Market Authority, a reform initiative that opened avenues to advance economic reform and investment.50 Through Accelerator Labs, UNDP empowered youth and women by fostering entrepreneurship, self-employment, and job creation opportunities in digital sectors, while promoting partnerships with private enterprises. Grassroots initiatives actively included young women, such as a women-led mentoring network in Uganda which provided

^{48 —} Since 1974, UNDP has been hosting UNOSSC (a focal point for promoting and facilitating South-South and triangular cooperation for development on a global and United Nations system-wide basis. See https://unsouthsouth.org/bapa40/documents/; Also, UNDP Administrator convenes High Level Committee on South-South Cooperation (a subsidiary body of the United Nations General Assembly). See https://undocs.org/en/A/RES/35/202;.

 $^{49 - \}mathrm{See}\ 2024\ \mathrm{ICPE}\ \mathrm{Yemen}\ \mathrm{data}\ \mathrm{collection}.$

^{50 —} ibid.

guidance and skills training to empower them to overcome economic barriers. Similarly, in Ecuador, a women's taxi cooperative created employment opportunities for young people, while ensuring safer and more inclusive transportation services. In Paraguay, a community innovation challenge fostered creative solutions to local challenges and community-level transformation [49]. UNDP made significant contributions in promoting downstream vouth self-employment entrepreneurship. Skills development interventions contributed greatly to psychological and behavioural empowerment, though fewer economic benefits were reported. Overall, UNDP interventions on youth economic empowerment primarily focused on enhancing employability through skills development, with limited emphasis on stimulating labour demand (such as youth employment schemes) or addressing structural challenges, relying largely on a downstream approach with minimal upstream engagement [44].

UNDP efforts to integrate digital and financial services for marginalized communities were key, particularly after COVID-19, but encountered sustainability challenges. Barriers such as limited access to finance for MSMEs and inadequate digital tools restricted growth and potential [40]. Limited outreach, capacity gaps and entrenched social norms further restricted the transformative impact of these initiatives, particularly among the most vulnerable youth and women [44].

Employment and livelihoods interventions primarily focused on skills-building for vulnerable workers, with limited emphasis on comprehensive labour market solutions. While these efforts supported women and youth, evidence of broader, scalable impact was limited. Notable successes included Albania and North Macedonia, where labour market initiatives were effectively adopted by governments, with North Macedonia showing gains in business formation and survival rates. However, data on sustained poverty reduction and long-term youth livelihoods improvement were limited. UNDP expertise in employment creation and market development, along with its capacity for large-scale economic stimulus measures, did not match that of technical agencies and IFIs [49].



FINDING 6

Green transitions - The most significant changes were seen with the integration of biodiversity conservation, expanded access to a just energy transition, the advancement of climate security agreements, and the promotion of inclusive nature-based solutions to support marginalized communities. Integration efforts were not consistently aligned with stakeholder preferences, including sectoral planning and investment, limiting their influence on green growth and the reduction of fossil-fuel dependency.

UNDP efforts to link climate and biodiversity initiatives with social development to reduce energy poverty helped to improve livelihoods, foster economic empowerment, and build resilience.⁵¹ Indonesia was frequently cited as a successful example of green transition, energy efficiency, energy market transformation, and SDG financing [50 - 53]. Other examples included the Pacific Islands for integrating nature-based solutions with the SDGs, emphasizing disaster risk reduction; Egypt's Photovoltaic initiative and China's biodiversity protection initiatives fostered public-private investment in energy transition and cleaner technologies and expanded protected areas, advancing biodiversity protection [54 - 56].⁵² The Powering Gender Equality project in Ethiopia, Eswatini, Madagascar and Malawi integrated women's empowerment with energy transition, promoting equality alongside sustainability.53 In Sierra Leone, gender assessments in energy initiatives like charcoal production highlighted the need for inclusive design, though experiences in Ethiopia highlighted challenges in adapting gender-based models across contexts [57, 90]. After the 2022 energy price surge in Moldova, UNDP helped the Government to establish the Energy Vulnerability Reduction Fund, providing on-bill compensation to reduce energy poverty

and cover natural gas costs for the most vulnerable households. In Indonesia, the ACCESS project engaged women's groups in designing energy access initiatives, influencing electricity tariffs, prioritizing productive use, and ensuring the availability of energy for learning and education. It also strengthened the economic initiatives of women-led small enterprises in target villages [112]. These initiatives underscored the UNDP commitment to promoting inclusive green transitions, driving scalable and sustainable change, but evidence shows the need to further combine capacity-building and skills development initiatives with interventions aimed at improving access to finance and markets [58].

The Italy-UNDP Energy Partnership, launched in 2022, positioned UNDP as a key facilitator of sustainable structural transformation through transnational and cross-institutional collaboration. This partnership enabled UNDP to engage with United Nations agencies, and public and private stakeholders in countries like Nigeria, South Africa, Ethiopia, Côte d'Ivoire, Kenya, Mozambique and the Republic of the Congo to develop a portfolio of clean energy projects. By enhancing the financial viability of renewable energy projects and ensuring scalability, the initiative aimed to overcome barriers

^{51 —} Energy poverty refers to a state in which a household must reduce its energy consumption to levels that negatively impact the health and wellbeing of its inhabitants.

^{52 —} ICPE China 2024 data collection.

 $^{53 -} See \ https://www.undp.org/sites/g/files/zskgke326/files/2023-07/Powering\%20Equality_concept\%20and\%20Eol\%20template\%20final.pdf$

to clean energy investment across Africa, attract large-scale private investments, and leverage public finance, technical assistance and concessional financing. Complementary projects such as Energy and Poverty in the Philippines, and Financial Aggregation for Distributed Renewable Energy in Uganda, also emphasized the analysis of barriers to energy access and renewable energy financing [56, 59, 60]. These initiatives underscored the importance of partnerships to enhance feasibility, secure funding, and support local development, thereby contributing to the SDGs in challenging operational contexts.

UNDP incentivized government and private sector investment in renewable energy by facilitating access to emerging markets through the De-risking Energy Investment (DREI) Framework and SDG Investor Maps [40]. The DREI framework was implemented in countries such as Kazakhstan, where it reduced capital costs and achieved record-low electricity costs through a sitespecific auction for a 50 MW solar project [56, 61]. The DREI framework was also an important foundation for the design of the Africa Minigrids Programme, which has been implemented in 21 countries since 2022.54 The SDG Investor Maps fostered dialogue, but tangible green investments remained limited. Globally, UNDP support of renewable energy technologies aligned local projects with global international climate goals, and the Climate Promise collaborated with countries on mitigation and adaptation under the Paris Agreement [62].

The Climate Promise is the UNDP flagship initiative to support countries to enhance and implement their Nationally Determined Contributions (NDCs) under the Paris Agreement. 55 Launched in 2019, the Climate Promise is the world's largest offer of support for NDC enhancement, working with over 120 countries to strengthen climate ambitions through more inclusive, evidence-based, and finance-ready commitments. The initiative emphasized integration across sectors, aligning climate action with development priorities, including

energy transition and gender equality. Through technical assistance, capacity-building and policy support, the Climate Promise aimed to help governments translate commitments into action, mobilize financing, and foster partnerships for climate resilience and low-carbon development. Many NDCs and climate plans were developed with costing, but securing new resources and ensuring cross-government implementation proved difficult, notably in Eswatini, Côte d'Ivoire, Kosovo, Serbia and Uganda, where mobilization efforts faced obstacles.⁵⁶ However, countries including Mali and Georgia made some progress in integrating climate considerations into national budgets.⁵⁷ In Liberia, in close partnership with the Environmental Protection Agency, UNDP contributed to policy advocacy and the strengthening of targeted national systems to reduce the impact of natural hazards and climate change, which allowed the country to make progress.

Through the Climate Promise, support was channelled whole-of-government/-society consultations (particularly focused on women, youth and the private sector). This led to revised NDCs and the development of a financing strategy [63]. Under the Climate Promise initiative, UNDP supported forestry reform and the introduction of sustainable forest management practices in Georgia, which helped to increase the country's carbon sink, reduce pressure on forests and use wood residues as an energy source through the Business Service Yards approach and provide access to energy-efficient technologies and sustainable energy sources [64]. In Vanuatu, UNDP installed automated weather stations, improved the climate-proofing of vital community infrastructure, and rehabilitated and restored threatened coastal ecosystems, activities which were highly praised by participating communities [65].

Some stakeholders have highlighted challenges in the implementation and perception of UNDP climate initiatives, such as the Climate Promise. Comparator organizations raised concerns that these reflect the

^{54 —} https://africaminigrids.org/

 $^{55 -} See \\ \\ \underline{\text{https://climatepromise.undp.org; and https://climatepromise.undp.org/sites/default/files/research_report_document/UNDP\%E2\%80\%998\%20Climate\%20Promise\%20-\%20Final\%20-\%20revised.pdf}$

^{56 — 2024} ICPE data collection.

 $^{57-2024 \ \}text{ICPE Mali data collection;} \ \underline{\text{https://climatepromise.undp.org/news-and-stories/liberia-gets-ready-carbon-markets}}$

tendency of UNDP to operate independently rather than collaboratively. Country offices and Regional Hubs noted that the name "Climate Promise" had been misleading, creating challenges when engaging with partner governments, as it raised false expectations of immediate or guaranteed funding.

The UNDP - GEF Small Grants Programme played a key role in promoting green and inclusive transitions and enhancing environmental resilience at subnational level [66]. To date, the programme has funded over 2,200 community-driven projects across 127 countries. Brazil supported a significant number of local organisations and rural communities to strengthen landscape resilience and advance sustainable development. These efforts, focused on greening agricultural practices, improving natural resource management, enhancing ecosystem services, and fostering eco-friendly enterprises, renewable energy and energy efficiency, enabled rural communities to benefit from a sustainable transition [67].

Results have been modest, but marked a meaningful start given the scale of renewable energy challenges. Renewable energy and efficiency efforts were often challenged by isolated sectoral planning, without fully addressing economic areas vulnerable to fossil fuel dependence. Initiatives to create green jobs, reskill workers and promote renewable energy-based livelihoods were supplementary, not central, to transitioning from fossil fuels [56]. Recently, UNDP developed knowledge resources on just energy transitions and sought to further include women in its energy portfolio, but overlooked barriers like household decision-making and social norms affecting women's financial autonomy and energy access for people with disabilities, limiting inclusivity and impact [67]. Another investment in knowledge resources was the Energy Moonshot Tracker which monitors all UNDP energy projects. According to the tracker, UNDP has advanced Strategic Plan outcomes, targeting millions globally while extending sustainable energy benefits to agriculture, clean cooking, education and health.

Evidence showed internal and external challenges to the effective integration of biodiversity into national development plans and sustainable funding [37].

Externally, the complexities of extractive industries, political instability, and rising demand for rare earth minerals restricted the full potential of the UNDP green growth portfolio. Additionally, pressures from agriculture and pollution complicated efforts to address biodiversity loss comprehensively. While there were promising examples of subnational and national projects that contributed to conservation efforts, such as Indonesia, Philippines and Sri Lanka, many relied heavily on development funding, raising concerns about long-term sustainability [67, 68]. The effectiveness of the Nature Pledge, designed to align national biodiversity commitments with the Global Biodiversity Framework, on enhancing monitoring and conservation remained to be seen. Given the limited size of UNDP, its catalytic upstream work showed the most promise in addressing the scale of these issues.

Inconsistent funding limited the integration or a more systemic approach and scalability of successful green initiatives across regions, and gaps in sustainable finance governance hindered long-term transformation. Structural barriers, including restricted access to finance and underdeveloped financial sectors, further hindered the shift towards sustainable business practices. Additionally, weak alignment between local financial needs and global funding mechanisms constrained the potential to scale green initiatives. The UNDP role in translating global sustainable finance policy discussions to national contexts and supporting green transitions, particularly for MSMEs, was limited. This resulted in missed opportunities to further develop the financial sector at national level and advance green technologies and sustainable business models to foster inclusive, environmentally sustainable growth, especially for marginalized groups, including women. Green practices, including bio-waste recycling and circular economy models, were inconsistently integrated into "poverty reduction and inclusive growth" initiatives, limiting their impact [40]. The commercial benefits of these practices were not realized due to insufficient market-based approaches. Sector-specific trade and value chain strategies, along with stronger integration with UNDP sustainable finance portfolio, could have boosted economic opportunities in these areas [40].

FINDING 7

Digital transitions - The most significant changes to digital transitions included expanded access to digital services, and improved government functions, healthcare and economic opportunities for more inclusive digital economies. The next steps towards enhancing digitalization, such as addressing emerging issues in data security and privacy governance and interoperability, were not always taken. This limited the adoption of broader user-centred e-services and trust in digital solutions.

Since the COVID-19 pandemic, countries have increasingly prioritized national digital infrastructure and sought UNDP support for digital transformation.

These requests included assistance with digital policies, strategies, capacity-building, and the implementation of technologies for digital public services, such as digital identity platforms and data governance. In response, UNDP developed the Digital Readiness Assessment (DRA), deployed in over 30 countries, along with tools such as the Data Governance Framework, Data to Policy Navigator, and Model Digital ID Governance Framework [22].58 UNDP work in Digital Public Infrastructure (DPI) combined open, interoperable technology with inclusion and rights-based governance, addressing challenges like data security and interoperability while informing sector-specific efforts in climate, governance and justice. UNDP has championed DPI globally, notably advancing inclusive and sustainable DPI development during India's presidency of the G20.59 Locally, the UNDP approach produced adaptable case studies with cross-border scalability, though the long-term impact of these tools has not been fully evaluated.

UNDP enjoys longstanding partnership with governments, a broad mandate and global presence. These factors have been instrumental in supporting countries with digital transitions, particularly during and

following the COVID-19 response. The rapid deployment of digital tools ensured business continuity and the delivery of essential services in countries such as Zambia, where government services remained operational, and Jordan, Laos and Nepal, where parliamentary sessions continued via video conferencing. Innovative solutions, like virtual courts in the Gambia and Liberia, and digitized core services for economic recovery in Honduras, emphasized transparency and continuity of service. 60 The COVID Vaccine Intelligence Network platform for electronic vaccine registration in India exemplified scalable, impactful digital solutions [68]. These initiatives went beyond technology upgrades, leveraging multistakeholder collaboration to advance social protection, equality and access to public services [39].

UNDP strengthened public communication and service delivery through digital innovation, creating frameworks and tools to address structural transformation challenges [68]. Initiatives like the Mizan E-governance project improved court efficiency and transparency in Palestine, while digital cash transfers streamlined social assistance in Cambodia [69]. Iraq used digital monitoring tools to enhance transparency of the stabilization programme, and Moldova's inclusive digital coordination attracted donor interest [17].

^{58 —} The DRA provides a comprehensive overview of a country's digital advancement, pinpointing areas for improvement and potential for transformation. It offers key findings and insights into countries' digital landscapes, and actionable recommendations to progress to the next stage of digital maturity. Importantly, these assessments act as catalysts for developing National Digital Strategies, crafting Implementation Roadmaps, and launching programmes focused on deploying digital public goods and enhancing digital capabilities. There are examples, such as in Arab States (Iraq, Kuwait, Lebanon) and in Africa (Mauritania), where DRAs led to national digital strategies." p.47 UNDP IEO (2023) Evaluation of the UNDP Support to Digitalization of Public Services.

 $⁵⁹⁻See\ \underline{https://www.undp.org/news/inspiring-collective-action-digital-india-sets-stage-g20}$

 $⁶⁰⁻UNDP\ IEO\ Reflections; UNDP\ COVID-19\ Adaptation\ and\ Response; What\ Worked\ and\ How?\ \underline{http://web.undp.org/evaluation/documents/reflections/COVID_response.pdf}$

UNDP digital transition initiatives faced scalability and sustainability challenges. Limited engagement in fintech and enterprise development restricted the potential of digital transitions, while gaps were identified in the use of digital solutions to address climate challenges, such as open-source tools to measure, report and verify greenhouse gas emissions. The integration of the Better Than Cash Alliance into the Sustainable Finance Hub (SFH) offered an opportunity to address the limited engagement with fintech. Data security, interoperability, and collaboration with governments and civil society remained critical areas for improvement to maximize digital transition outcomes and address emerging issues in Al and cybersecurity [68].

Digitalization was a critical enabler of structural transformation and systemic change when integrated across governance and other areas, rather than as a standalone area of work. Unlike entities that focus on specialized technical solutions, the distinct role of UNDP lay in leveraging digitalization as a crosscutting enabler of change, aligned with its mandate to address systemic challenges like governance, poverty, inequality and exclusion. The 2022-2025 Digital Strategy embodied this approach by embedding digital tools into broader programme designs through initiatives like the "digital by default" framework. However, this requires contextualization as some key exclusion factors, such as poverty and disability, require tailored, integrated digital solutions. By aligning digital solutions as an enabler within specific areas, UNDP was able to balance innovation with inclusivity, to ensure that digital solutions enhanced public services and policymaking, fostering system-level transformation, rather than isolated technological fixes. This was critical for reaching marginalized groups, addressing rights in the digital realm, ensuring sustainability, and promoting more equitable development in line with the goal of bridging gaps in digital access.

Direction of Change: Building resilience

The Strategic Plan committed to enhancing the capacity of countries and communities to anticipate, withstand and recover from crises, conflicts, natural disasters and economic shocks. By strengthening institutions and fostering adaptive strategies, UNDP sought to mitigate risks, reduce vulnerabilities, and sustain development gains in the face of an increasingly complex global landscape.⁶¹



FINDING 8

Building resilience - The shift towards addressing complex structural risks, crises and socioeconomic shocks in all development settings, regardless of the level of fragility, was the most significant change in building resilience during this Strategic Plan period. This shift enhanced the understanding of risk management as a systemic component of development, leveraging UNDP global presence and local solutions, while expanding focus on regional and global resilience issues, including cross-border conflicts, the climate crisis and pandemics.

The COVID-19 pandemic exposed vulnerabilities beyond health systems, prompting UNDP to redefine its theory and practice on resilience using systemsthinking approaches and incorporating insights from local to global. Post-pandemic, discussions about integrated resilience strategies increased. 62 Initiatives like Rising Up for SIDS illustrated how systems approaches, focusing on decarbonization, energy transitions, and blue economy development, aided pandemic recovery and climate resilience [70].63 Through the Climate Promise umbrella programme, targeted support was provided to countries to embed green recovery strategies into their NDCs and climate change strategies. The Climate Promise enhanced 128 NDCs, while Integrated National Financing Frameworks (INFFs) supported financial planning in 85 countries. This supported resilience by aligning financial strategies with national development priorities, enabling countries to mobilize diverse resources for climate adaptation, disaster risk reduction and social protection systems. By promoting integrated planning and risk management, INFFs prompted financial systems to be more transparent and efficient, directing resources towards initiatives to address vulnerabilities and strengthen adaptive capacity. They also facilitated private sector engagement to fund resilience-building projects, such as through green bonds or impact investing. Through these mechanisms, INFFs helped countries build sustainable and inclusive systems to better withstand and recover from shocks.64

UNDP stabilization programmes made significant contributions to resilience-building within the HDP nexus. For instance, the Funding Facility for Stabilization rehabilitated critical infrastructure, supported cash-forwork opportunities and provided small business grants in Iraq, addressing recovery needs while contributing to economic adaptability. Similarly, the PDL-145 initiative in the Democratic Republic of Congo reconstructed schools, health centres and administrative buildings, integrating local labour and resources to enhance ownership and capacity. These programmes aimed to tackle root vulnerabilities in alignment with broader development goals such as economic recovery and social cohesion. The efforts showcased the dual UNDP role in immediate recovery and long-term resilience-building, though their effectiveness and sustainability have not been fully evaluated [71].

The UNDP governance initiative, the Regional Refugee and Resilience Plan (3RP), strengthened resilience by simultaneously addressing immediate needs and long-term development challenges. 3RP united over 270 partners across Turkey, Lebanon, Jordan and Egypt to support refugees and promote host community stability through infrastructure development, livelihoods programmes, and institutional capacity-building. This multi-stakeholder approach reduced pressure on host countries, improved refugee integration, and enhanced the resilience of both individuals and communities.⁶⁵

^{62 —} Integration featured in 58 percent of evaluation reports that addressed resilience-building. See figure 3.

^{63 —} See also: Rising Up for SIDS: UNDP SIDS Offer https://www.undp.org/sites/g/files/zskgke326/files/migration/bb/undp-bb-Full_SIDS-Offer-Rising-Up-for-SIDS.pdf.

^{64 —} See https://sdgfinance.undp.org/our-services/INFFI.

^{65 — 3}RP is a strategic platform for the coordination, fundraising, and programming of humanitarian and development efforts on the Syrian crisis in five countries — Türkiye, Lebanon, Jordan, Iraq and Egypt. UNDP IEO (2020) Evaluation of UNDP Support to the Syrian Refugee Crisis Response and Promoting an Integrated Resilience Approach.

The private sector contributed to resilience-building; driving renewable energy, nature-based solutions and economic recovery. This was evident in UNDP DREI Framework and crisis response efforts in Iraq and Sudan [56, 61]. In other examples, UNDP facilitated the development of a Climate Investment Deal Book, targeting funding for climate projects in Rwanda; the presentation of the SDG Investor Map findings to Chinese investors resulted in a memorandum of understanding (MoU) for a two billion Euro investment in renewable energy in Serbia; and the development of a regulatory framework promoted private sector participation in public building retrofits in Bosnia and Herzegovina and a financial mechanism aimed to enhance public service quality and working conditions [72].

UNDP resilience efforts faced challenges and missed opportunities. Clearer strategies and stronger incentives for private sector investment were needed to fully

harness potential for resilience-building. Short-term support, while often necessary, risked creating unmet demand and straining institutional capacity. Operational complexities in large-scale infrastructure projects, and fragmented funding across climate, humanitarian and development sectors, hindered the capacity for integrated responses. As such, responses prioritized infrastructure rehabilitation without sufficient attention to sustainable governance. The role of UNDP in the HDP nexus was unclear, further complicating partnerships [73 – 76]. Respondents revealed a mixed perception of UNDP HDP nexus interventions, with some viewing them as essential while others expressing concerns about mission drift. Additional limitations included a lack of scalable models for employment and service delivery, insufficient gender-focused approaches addressing intersecting discrimination, and inadequate integration of governance in conflict prevention strategies [77].

FINDING 9

Development in crisis settings - UNDP improved the alignment of its crisis response with long-term development, emphasizing inclusive stabilization efforts to advance the HDP nexus, foster trust and strengthen the foundations of the social contract. Its recognized ability to "stay-and-deliver" during crises highlighted the UNDP strategic role in sustaining development efforts where others might retreat.

This success of UNDP in sustaining development efforts in crisis contexts was rooted in its ability to leverage partnerships and its operational flexibility to deliver essential services even in the most challenging settings. A notable dimension of the UNDP crisis response was its emphasis on generating knowledge products that provided programmatic recommendations to help advance the HDP nexus. For example, the socioeconomic impact assessments of the war in Gaza and the conflict in Sudan show how knowledge products informed actionable strategies [78, 79]. Both initiatives leveraged strategic partnerships (with the United Nations Economic and Social Commission for Western Asia for Gaza and the International Food Policy Research Institute for Sudan) to produce evidence-based recommendations that reinforced resilience and informed policy frameworks.

UNDP efforts to bridge HDP actors fostered coherence and integrated programming, particularly in acute crises. Initiatives like the 3RP (2015–2021) exemplify how UNDP embedded resilience into humanitarian responses, enabling sustained stabilization and scaling efforts for lasting impact [77].

In crises, the distinct UNDP development mandate was vital for addressing immediate stabilization needs while fostering inclusivity, strengthening social contracts, and focusing on the root causes of instability. Programmes such as the Iraq Funding Facility for Stabilization and the Lake Chad Basin Regional Facility mobilized significant resources to empower marginalized groups, promote gender equality, and rebuild critical infrastructure [16, 71, 80]. Regional and cross-border approaches, like the

South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC) initiative in the Western Balkans,66 exemplified how UNDP fostered cooperation to address transnational challenges while integrating gender perspectives into security reforms. The UNDP "stay-and-deliver" approach ensured continuity in crises, bridging HDP efforts through frameworks like the 3RP [77]. Gender-inclusive energy projects and digital infrastructure improvements further strengthened resilience in local communities, for example, pairing emergency support in energy, water and healthcare with long-term investments in irrigation and Community Management Committees to foster recovery and stability in Sudan; or maintaining public services in Gaza while adapting development efforts to urgent needs, despite ongoing conflicts threatening significant setbacks in human development in the State of Palestine [78].67 UNDP also emphasized cross-sector coordination to enhance social protection, drive economic recovery, and promote digital inclusion, as seen in the Diia platform for vulnerable groups in Ukraine, and the ABADEI initiative combining cash-for-work with environmental goals in Afghanistan [48, 81].68

Cross-border and regional approaches were essential for tackling sensitive transnational challenges.⁶⁹ For example, the UNDP SEESAC initiative enhanced regional resilience in the Western Balkans by controlling small arms and integrating gender equality into security sector reforms. In collaboration with the Regional Cooperation Council, SEESAC fostered cooperation and strengthened national and regional capacity to reduce the proliferation

and misuse of small arms and light weapons (SALW). In Bosnia and Herzegovina, Montenegro, North Macedonia and Serbia, UNDP partnered with ministries of defence to develop gender-responsive SALW control policies, increasing women's participation in defence decision-making. These efforts built stakeholder trust by aligning with European Union Accession criteria and NATO Partnership for Peace goals, reinforcing the connection between SALW control, gender equality and regional resilience.⁷⁰

The UNDP HDP nexus approach contributed to resilience-building, particularly for the Syrian refugee crisis in the Arab States, as applied in Lebanon, Yemen, Sudan, Somalia and Kenya. The Cross-border cooperation was strengthened through initiatives like regional governance frameworks [82]. The Prevention of Violent Extremism toolkit further supported the HDP nexus by providing practical guidance to align peacebuilding and development efforts, facilitating cross-border knowledge exchange and addressing the drivers of violent extremism. In this way, the toolkit aimed to play a critical role in promoting stability and safeguarding development gains across the region.

UNDP efforts in crisis settings faced challenges in addressing the interconnected dimensions of conflict and crises. Short project cycles and fragmented funding were key factors hindering the ability of UNDP to better advance the potential of the HDP nexus to promote stability and long-term development. The transient nature of certain projects restricted their lasting

^{66 — &}lt;a href="https://www.seesac.org/About/">https://www.seesac.org/About/

^{67 —} UNDP, mandated by the United Nations General Assembly, operates in Gaza as the Programme of Assistance to the Palestinian People, established in 1978, a key partner to humanitarian agencies, government, and civil society organizations, providing crucial support on the ground. Output 3.2.1. Joint Programme Evaluation of Peacebuilding and social cohesion Programme in Sudan; https://www.undp.org/sudan/blog/across-sudan-peace-building-systems-are-bringing-women-together-they-drive-social-cohesion-and-peace;

^{68 —} The Diia platform (Дія, meaning "Action" in Ukrainian) is a digital ecosystem developed by the Ukrainian government to provide electronic governance services. It is operated by the Ministry of Digital Transformation of Ukraine and serves as a one-stop platform for digital government services, allowing citizens to access various official documents, services, and benefits online.

^{69 —} See Development at risk: embracing change and unleashing opportunity amid uncertainty revised draft for the UNDP Global Leadership Retreat, 12 November 2024, p. 1 on the interconnectedness and global nature of risks; p. 2 migration flows within the South as well as from South to North; p. 3 the consequences of risks "within and across borders". It also highlights the need for risk management as a global collective responsibility, emphasizing approaches that operate from the local to the global level. This suggests a focus on regional and cross-border collaboration.

^{70 — &}lt;a href="https://www.seesac.org/About/">https://www.seesac.org/About/

^{71 —} See Development at risk: embracing change and unleashing opportunity amid uncertainty revised draft for the UNDP Global Leadership Retreat, 12 November 2024, p. 6 discusses resilience and human security as frameworks for managing risks and stresses across countries, societies, and communities. It also highlights the importance of collective approaches in addressing uncertainties, suggesting regional and cross-border considerations but not explicitly mentioning them.

impact on local communities [71]. While some of these projects focused on enhancing government capacity and stabilizing critical infrastructure, UNDP did not fully integrate conflict-sensitive programming to address the root causes of instability. Similarly, fragmented funding created operational challenges, undermining integrated responses in some countries. Stakeholder concerns about mission drift and the lack of comprehensive integration further highlighted challenges in promoting cohesive programming to address the root causes of instability and promote long-term development in crisis.⁷²

Despite challenges typical of the context, when offering an integrated approach UNDP occupied a distinct space in delivering stabilization programming within the HDP nexus. Its ability to "stay-and-deliver" during crises, even in the most challenging settings, highlighted its strategic advantage in sustaining development efforts where other development actors retreated. This positioning is bolstered by the UNDP mandate to address both immediate stabilization needs and long-term development goals, fostering trust and inclusivity and strengthening social contracts. The comparator study revealed that the HDP nexus was a crowded space, with several humanitarian actors moving in strongly, also integrating their offers with gender equality and economic recovery programming. Humanitarian respondents engaged in protracted crises and recovery expressed a strong interest in further collaboration with UNDP, as a way to signal to local populations and governments their transition from a humanitarian response to a development-focused approach, and address stakeholder fatigue in prolonged humanitarian interventions.

FINDING 10

Climate resilience - The most significant changes in this area were the alignment of green transition initiatives with structural transformation, characterized by stronger integration of climate security into national development plans, regional agendas and global frameworks, and successful efforts in advancing climate finance. However, challenges persisted in advancing integrative approaches, reconciling the priorities of States and extractive industries with global climate goals, and ensuring that nature-based solutions received adequate climate finance support.

The intertwined challenges of biodiversity loss, climate instability and land degradation formed a global crisis that required integrated, resilience-building solutions. UNDP strengthened climate resilience by fostering adaptive capacities and enhancing the resilience of vulnerable communities. It also emphasized the critical role of biodiversity and energy efficiency in climate adaptation from local to global levels, through technical advice and enhancing investment feasibility. For example, the Pacific Islands aligned nature-based solutions with the SDGs, prioritizing disaster risk reduction to support social stability; while in Thailand, gender analysis and diverse stakeholder engagement improved resilience

and socioeconomic sustainability for coastal communities [54, 65, 83]. Similar community-centred efforts, such as enhanced water harvesting in Jamaica and gender-responsive resilience initiatives across the Caribbean, highlighted the UNDP approach to combining climate adaptation with social cohesion [84, 85]. Projects like solar mini grids in South Africa, the rooftop solar PV initiative in Egypt and the solar training programme in Nigeria also engaged marginalized communities, improving living conditions in support of climate goals [55].⁷³

UNDP aligned local needs with global climate and disaster risk goals, securing funding for risk reduction

^{72 —} https://www.undp.org/iraq/publications/funding-facility-stabilization-2023-quarter-one-report

 $^{73-2024 \ \}hbox{ICPE South Africa data collection. Also see} \ {\underline{\hbox{https://www.undp.org/nigeria/projects/de-risking-renewable-energy-nationally-appropriate-mitigation-actions-nigerian-power-sector.}$

and prioritizing resilience and adaptation [21, 42, 57, 86].

For instance, Nepal created the National Disaster Risk Reduction Policy and post-earthquake reconstruction principles; Peru approved risk management policies aligned with the Sendai framework; and India adopted a disaster risk financing framework for preparedness [21, 42, 86, 87].⁷⁴ UNDP efforts to boost climate resilience included climate-proofing infrastructure in Vanuatu; building river protection walls and promoting early warning systems in India; and the installation of automated weather stations and advocacy for risk insurance across the Pacific [65, 86].

UNDP understanding of ecosystems and biodiversity conservation at subnational level enabled it to link national policies with innovations in the field. This approach saw some success in Asia-Pacific and Latin America and the Caribbean regions, where UNDP integrated biodiversity plans into community development, and established Indigenous and Community-Conserved Areas and localized national biodiversity strategy and action plans [37].

Gaps in aligning the UNDP Climate Promise with global biodiversity strategies led to missed opportunities to leverage climate finance for conservation co-benefits and integrate global biodiversity strategies. While UNDP support for governance frameworks for terrestrial and freshwater conservation improved planning and enforcement, it fell short of addressing the core drivers of ecosystem degradation. Recent actions on harmful national subsidies and international financial disclosures provide a strong foundation for tackling these underlying causes. However, the severe impacts of land use change, resource extraction, and pollution—amplified by invasive species, climate change, and population pressure—far outweigh the capacity of conservation and enforcement initiatives to protect ecosystems and biodiversity. The absence of a cohesive strategy to address harmful drivers has confined UNDP efforts to

localized actions, limiting its engagement with international regulations and market dynamics. Additionally, missed links between biodiversity and climate finance, along with limited support for Indigenous and rural communities, have further constrained the sustainability and impact of these efforts [37].

In partnership with the United Nations Capital Development Fund (UNCDF) Strategic Framework and Local Climate Adaptive Facility programme, UNDP advanced climate resilience through initiatives like the LDC Investment Platform and local government initiatives on climate change in Bangladesh, with 99 percent female participation. Others fell short of gender targets, for example, while women accessed benefits from the Gambia Jobs, Skills, and Finance programme, men often retained control over household income, reflecting entrenched gender dynamics that hinder equitable climate adaptation [88]. A lack of coherence across practice areas, particularly between programme goals, implementation strategies and resource allocation, reduced the effectiveness of climate resilience initiatives such as those for water access in Ghana or climateresilient schools in Mozambique. These constraints. including inadequate climate-proofing quidelines, highlighted the critical need to effectively harness climate finance to strengthen the sustainability and impact of development programmes aimed at building resilience to climate challenges [89].

UNDP climate and biodiversity initiatives faced challenges in achieving scale and fully integrating ecosystem management into climate action plans, missing opportunities for sustainable impact. Areas like sustainable land management, biodiversity enhancement and clean energy access were often confined to short-term projects with limited integrative approaches, hindering capacity-building, policy reforms, or the achievement of scale necessary to affect climate change and biodiversity. The small number and fragmented

^{74 —} The Sendai Framework for Disaster Risk Reduction 2015–2030 is a global agreement adopted by the United Nations to reduce disaster risk and build resilience.

execution of incentives, and minimal private sector involvement, reduced the potential of long-term investment for impact, and further constrained efforts to scale energy initiatives and align them with resilience and poverty goals [37]. While women's empowerment was often considered, inconsistent gender assessments weakened project effectiveness by overlooking diverse

needs and barriers, limiting equitable and sustainable outcomes [90]. External factors such as political instability, regulatory barriers and difficulties reaching marginalized communities further constrained scalability, highlighting the need for integrated strategies to ensure equitable energy access and resilience [56].

FINDING 11

Health resilience - The pivotal role of UNDP in strengthening health resilience during and after COVID-19 was a most significant change, leveraging longstanding partnerships, experience of implementing Global Fund programmes, operational adaptability and digital transformation to ensure the continuity of essential services and respond to emerging needs. Health resilience was challenged by issues of supply chain management capacity, including operational overlaps, underscoring the fundamental challenge - and opportunity - of systems-thinking and integration.

The long collaboration between UNDP and the Global Fund served as a cornerstone of the work on health system resilience. UNDP achieved notable success during the COVID-19 pandemic, particularly through its support for digital transformation. For example, UNDP developed climate-resilient infrastructure in Mozambique, strengthening health supply chains and aligning with climate goals [91 - 94]. In Angola, community health workers achieved a 97 percent reporting rate and an 83 percent cure rate for cases of tuberculosis (TB), while in Zimbabwe, mental health support was integrated into HIV and TB programmes, enhancing comprehensive health services [91, 95, 96]. Leveraging its 2019 digital transformation strategy, UNDP deployed tools across 110 countries, including scaling India's electronic Vaccine Intelligence Network (eVIN) system for vaccine logistics,75 using Geographic Information System technology to connect vulnerable communities to aid, and improving social protection targeting in Viet Nam [34, 97, 98]. The Rapid Response Facility in Lao PDR sustained essential services, while Honduras enhanced governance through digitalized public services.⁷⁶ The COVID-19 response also

highlighted the ability of UNDP to provide normative support and strategic advice to drive an inclusive digital transition within national systems [99]. The UNDP COVID-19 response, guided by the Programmatic Response Coordination Group and the Global Response Team (GRT), demonstrated its ability to adapt and respond to emerging health challenges by integrating digital solutions, driving socioeconomic impact assessments, and ensuring operational flexibility [100].⁷⁷

Coordination mechanisms, including the Security Management Group and the GRT, enhanced the agility of UNDP in addressing evolving needs [102]. The Security Management Group ensured staff safety while maintaining programmatic focus, while the GRT integrated digital tools into operational frameworks. However, overlapping functions between the GRT and Regional Bureaus occasionally caused inefficiencies [100]. Innovative service delivery during COVID-19 further illustrated the adaptability of UNDP. For example, under the Global Fund Malaria grant, UNDP collaborated with the United Nations Office on Drugs and Crime and the Chad Bar Association

 $^{75 - \}text{eVIN}$ is a unique innovation that brings together technology, people and processes to strengthen the vaccine supply chain by digitizing information on vaccine stocks and storage temperatures. See UNDP (2022) ICPE India.

^{76 —} Q3 COVID Mini-ROAR Results (internal UNDP document) September 2020.

^{77 —} The GRT is co-led by the Crisis Bureau and BPPS Directors and composed of Regional Hub Managers, Regional Chief Economists, GPN Team Leaders and the Deputy Directors of BPPS and Crisis Bureau.

to provide legal and health support to inmates using COVID-19 resources, advancing the digitization of judicial services, providing legal and health support to inmates during the pandemic and introducing video conferencing kits in 17 prisons to ensure regular court hearings [91]. These integrated UNDP initiatives addressed immediate crisis impacts and laid the groundwork for long-term resilience, enabling governments and communities to better withstand and recover from future shocks.

Integrated projects at the nexus of health, climate and energy enhanced health resilience by ensuring reliable energy supplies, improving healthcare delivery and addressing environmental health risks. For example, the Solar for Health initiative equipped healthcare facilities in South Sudan, Liberia, Zimbabwe and Zambia with solar energy, ensuring a stable power supply to strengthen health services, particularly in remote and underserved areas; healthcare delivery in Zimbabwe was enhanced due to consistent energy availability at HIV clinics; while in Jamaica, solar photovoltaic systems and LED retrofits in hospitals reduced energy costs and improved operational sustainability [103, 104]. Intersectoral collaboration further amplified health resilience by aligning sectoral policies to address interconnected risks. For instance, the Solar Energy in the Health Sector project integrated renewable energy solutions to stabilize healthcare delivery and reduce emissions in Iraq; and through the Healthier Kosovo project partnerships between health professionals and environmental experts were able to mitigate the adverse effects of air pollution on public health, highlighting the critical role of collaboration in building climateresilient health systems [105, 106]. Since 2022, UNDP has maintained a strong presence in Ukraine, supporting the Government to rapidly restore the national energy system and working with others to strengthen energy reliability by providing critical transmission and generation equipment, ensuring backup electricity for heating, water and sanitation.⁷⁸

UNDP improved health service delivery, strengthened operational efficiency and reduced vulnerabilities, through enhanced procurement planning and financial management, and targeted training. In collaboration with the Global Fund, UNDP supported health procurement in eight countries, ensuring the timely and reliable delivery of essential health products.79 Post-COVID, the UNDP Quality Assurance Policy was revised, guided by stakeholder feedback, to enhance compliance measures, expand access to health products (including in sanctioned countries) and reinforce anti-corruption safeguards across the supply chain. Governance frameworks were also strengthened through streamlined oversight mechanisms and strategic management practices, improving transparency and accountability in health sector operations.

UNDP health resilience interventions, while useful, faced challenges and missed opportunities, which hindered their effectiveness and responsiveness. A digital health mapping survey in February 2022 revealed capacity gaps, with 25 percent of respondents citing financing issues and 19 percent pointing to challenges in early project phases.80 Limited synergy with UNDP Acceleration Labs and restrictive due diligence processes constrained partnerships and knowledge exchange. 49 percent of respondents noted that priorities for digital health were unclear, adding to the complexity.81 Additionally, the UNDP partnership with the Global Fund faced sustainability issues, including concerns regarding warehouse maintenance, the scale of mental health services, and technology sustainability [91, 107]. Broader challenges to integrated approaches included sectoral fragmentation and siloed operations, which undermined policy coherence and collaboration. A lack of reliable, disaggregated data, especially in low-income countries and LDCs, further restricted evidence-based decisionmaking and early warning systems for climate-sensitive health risks. Resource constraints, such as inadequate funding for the maintenance of installed solar systems, highlighted gaps in long-term sustainability [108].

^{78 — &}lt;a href="https://open.undp.org/projects/00147472">https://open.undp.org/projects/00147472

^{79 —} Endorsed/ acknowledged in OPG decisions: OPG-2016.05-26-2.1; OPG-2017.11.19-4.1; OPG decision 4.1 of 30 October 2019

^{80 —} Survey conducted in February 2022, with information shared by Access and Delivery Partnership HIC and Health Group. The database is not a comprehensive mapping of all digital health initiatives as it only reflects the initiatives reported by survey respondents.

^{81 -} The digital health mapping survey was conducted in February 2022.

Furthermore, limited awareness among health staff and government leadership regarding the intersections of health, climate and energy exacerbated these issues, hampering the development and implementation of effective resilience strategies [103].

Direction of Change: LNOB

Central to the Strategic Plan is a rights-based approach that champions empowerment, inclusion, equity and human development.⁸² By prioritizing the needs of the most marginalized populations, UNDP aimed to eliminate multidimensional poverty and expand access to essential services, to leave no one behind in the journey towards achieving the SDGs.⁸³ To institutionalize LNOB, the United Nations Chief Executives Board for Coordination

introduced a conceptual framework directing United Nations entities to prioritize three elements: Equality—achieving substantive equality of opportunity and outcomes for all groups; Equity— fairness in the distribution of costs, benefits and opportunities; and Non-Discrimination—prohibiting discrimination based on the grounds outlined in international human rights treaties [109].

FINDING 12

LNOB - The most significant change in LNOB was its elevation to a Direction of Change in the UNDP Strategic Plan, which fostered more equitable and inclusive programme designs, yielding benefits for some target populations in need. UNDP contributed to advancing equal rights and development benefits for all – an important signal, given widening inequalities globally.

One of the conceptual strengths of the UNDP Strategic Plan 2022-25 was elevating LNOB to one of the three organizational Directions of Change. By doing so, UNDP demonstrated a commitment beyond framing LNOB as an 'enabler' or 'accelerator'. This approach was well received by staff, particularly in the context of rising inequalities, and UNDP established a track-record in reducing multidimensional poverty and addressing human development holistically.⁸⁴ Both the current and

previous strategic plans linked LNOB to fighting poverty and inequality (Signature Solution 1), while also implying it was a cross-cutting organizational objective. However, the strategic plans notably omitted 'reaching the furthest behind first', an integral part of the LNOB definition adopted by the General Assembly.⁸⁵ This omission weakened the prioritization of support for the most marginalized populations [41].

^{82 —} The 2022-2025 Strategic Plan includes in its Tier 3 operational effectiveness indicators an Engagement Index which cites the Human Rights Based Approach as an engagement principle for the organization, alongside other mainstreamed approaches such as Gender.

 $^{83 - \}text{See}$ UNDP Strategic Plan 2022-2025 pp. 9-11.

^{84 —} UNDP 2024 All Staff Survey on the Strategic Plan (Internal). UNDP had been pursuing related approaches since the 1990s, as demonstrated e.g. in the 1998 UNDP Sustainable Livelihoods Framework, the 2005 Practice Note on Human Rights in UNDP and the 2010 resource guide and toolkit on Marginalized Minorities in Development Programming. Specific LNOB language was first introduced in the previous UNDP Strategic Plan, 2018-2021, through the 'common chapter'.

^{85 —} United Nations General Assembly 2015 Resolution A/RES/70/1. Transforming our World: the 2030 Agenda for Sustainable Development.

The UNDP approach to LNOB was rooted in human development principles, with a focus on human agency and context-specific strategies to identify those left behind.86 Without a mandate to prioritize specific populations, UNDP applied a contextualized, intersectional lens that relied on data-driven insights. This commitment was evident in its efforts to enhance inequality data and analytics among national counterparts, supporting a more precise identification of those left behind. For example, UNDP monitored perceptions in the Central African Republic, enhanced data use in Moldova, and integrated SDGs with an LNOB focus into plans in Ecuador [41]. While UNDP identified left-behind populations in all four countries, its impact on LNOB-responsive policy and planning varied. These data-focused efforts contributed to more equitable and inclusive programme designs, as evidenced in recent results-oriented annual reports (ROARs). UNDP delivered tailored interventions and portfolios to address access to basic services (including digital), social protection, employment opportunities, social inclusion, participation in decision-making and other priorities. The use of data-driven insights helped to tailor solutions to the most pressing needs and challenges, guiding countries in designing effective poverty reduction programmes. A deeper understanding of the structural and intersectional causes of marginalization, and associated power dynamics, was essential for addressing inequalities effectively.87 Enhanced consultation with populations at risk of being left behind, and translating these insights into actionable programming, could have further strengthened UNDP efforts [110].

UNDP programmes expanded beyond traditional economic empowerment and social protection to address challenges such as lesbian, gay, bisexual, transgender and intersex (LGBTI) rights, the digital divide and climate vulnerability. In Côte d'Ivoire, the Inclusive Governance Initiative engaged youth leaders to advocate for LGBTI rights in a volatile context [111]. In Albania, rights-based initiatives like Ending Violence Against Women and Leave No One Behind, emphasized youth engagement, creating inclusive support networks and fostering intergenerational cooperation; and the Expanding Free Legal Aid Services project empowered youth from marginalized communities to overcome systemic barriers [24, 39]. Digitalized public services, including e-registries for family assistance, legal identity and healthcare access, reduced inequalities, benefitting marginalized groups including youth in underserved areas with tools for participation, and occasionally contributing to income gains [68]. However, disparities persisted, as efforts to achieve geographic, social and gender inclusion in public service digitalization often fell short [68]. Promising initiatives like e-commerce and e-learning platforms highlighted the potential to further support marginalized populations, including youth, particularly by enhancing their entrepreneurial skills, yet the scale and impact of these efforts was limited [41]. UNDP digitalization efforts at country level successfully advanced community preparedness for natural disasters and climate events. UNDP has provided support for over 50 countries, across regions, contributing to strengthened governance structures and innovative early warning systems such as vulnerability mapping and mobile alerts, alongside improved disaster management, data exchange between institutions (e.g., in Indonesia, Nepal and Sierra Leone), and enhanced climate tools (e.g., in Armenia, Burundi, Bhutan, Cuba and Georgia) [68].

^{86 —} See, for instance, the latest HDRs which now have a strong focus on horizontal inequalities, or the Multidimensional Poverty Index/ Vulnerability Index), championing intersectionality and data disaggregation to the local level.

 $^{87 - \}text{Tools}$ for conducting such analyses are already available, including Gender Analysis. However, as evidenced in the ROARs reviewed, these are not widely used by country offices.

UNDP upstream approaches effectively advanced universal rights and access to services through diverse initiatives addressing climate, social and economic challenges. For example, in Indonesia, UNDP support for NDC enhancement and implementation led to net-zero commitments and a tourism decarbonization roadmap in Bali, while in South Sulawesi technical assistance improved climate hazard assessments, economic loss estimation, climate budget tagging and capacity-building for local adaptation planning [112]. Aligning local priorities with global and national goals, UNDP supported youth employment and financial inclusion strategies in countries like Senegal and Ecuador; advised on social insurance legislation and policies in North Macedonia, Bangladesh and Paraguay; and launched an integrated approach in Africa to address the COVID-19 impacts on the informal economy [39, 44]. Inclusive justice frameworks were strengthened in Cambodia, Palestine, Nepal and Viet Nam, while alignment with the SDGs in Ecuador secured agreements and resources with a strong focus on furthest behind populations [34, 41]. Through strengthening

governance capacities, facilitating policy dialogues, and embedding SDGs, UNDP advanced equality for all, especially for those most at risk of being left behind [41].

Despite these achievements, challenges persisted in aligning local priorities with global goals and addressing perceptions of insufficient expertise, in climate programming in particular. Consultations with 19 United Nations agencies revealed that climate programming has become highly competitive, limiting the ability of UNDP and others to fully embody the LNOB principle to foster inclusive and collaborative climate action. There is insufficient evidence of joint programming on climate change, including with UNEP, the Food and Agriculture Organization (FAO), International Labour Organization, United Nations Office for Disaster Risk Reduction, World Health Organization (WHO) and others. The United Nations Secretary General mandated UNDP to lead the coordination for NDC 3.0 support, in coordination with other United Nations agencies.

FINDING 13

Strengths and weaknesses in LNOB - Promoting equality was a strength of the UNDP LNOB work over the period under review, while efforts to advance equity and non-discrimination were less pronounced or successful. Some progress was made in data disaggregation, though gaps remain in measuring LNOB outcomes.

UNDP made significant contributions to advancing equity in its programming, addressing disparities in underserved communities by promoting fair access to resources such as social protection, access to justice and renewable energy. Equity is sometimes referred to as the pathway to equality; it describes the process of treating everyone equitably, or justly, according to their circumstance. Some targeting measures supported by UNDP, such as cash transfer programmes, are examples of an equity approach though not usually labelled as such by UNDP. Recent UNDP publications are beginning to be more assertive, for example, those on gender and

climate equity, or on vaccine equity during the COVID-19 pandemic. Examples of relevant UNDP contributions include: strengthening health systems to improve service delivery for the most at risk populations in 21 countries as Global Fund Principal Recipients; integrating mental health services into HIV and TB programmes to address both physical and psychological needs and enhance health outcomes in disaster-affected regions of Zimbabwe; partnering with mobile clinics and stabilizing supply chains to ensure uninterrupted care for HIV and TB patients amidst a collapsing healthcare system in Sudan; or using a 'distress index' – a compound of multiple

^{88 -} The World Economic Forum define the terms as follows: "Equality is about being equal in status, rights and opportunities, whereas equity is about how we get there through fairness and impartiality".

indicators including the severity of food insecurity, emergency needs such as malnutrition and the scale of IDPs – for targeting cash transfers and temporary job creation programmes in Yemen [91, 96, 107].⁸⁹ However, some populations, such as illiterate rural women, remained hard to reach.

UNDP encountered challenges in advancing its commitment to reaching those furthest behind. UNDP personnel noted challenges in fully integrating an equity lens into programming, it was less consistently understood and applied compared to equality, resulting in uneven progress for those furthest left behind. While personnel broadly agreed on the importance of equity - fairly distributing costs, benefits and opportunities, including through targeting – to achieve equality, consultations with UNDP staff revealed varied interpretations of equity, with many conflating it with equality. Furthermore, few staff consulted for this evaluation mentioned equity, and there were few hits for 'equity' in the Transparency Portal.90 Not enough has been done to integrate scalable methodologies (e.g., geospatial and participatory data), and align data systems with LNOB objectives. Nonetheless, reviews of ROARs, LNOB-marker data, and evaluations since 2020 have highlighted initiatives which focus support on women, youth and indigenous peoples as good practices, including the GEF Small Grants Programme [113]. Other examples include: the UNCDF LoGIC initiative, which supported gender-sensitive budgeting in Bangladesh with 99 percent women beneficiaries; UNDP energy access initiatives which improved services for women and rural, elderly and poor populations; and the UNDP HIV/TB programme in the Pacific which reduced TB rates in underserved populations through portable x-rays and Al-powered software [114].

Evaluations revealed mixed results regarding the inclusivity and accessibility of UNDP-supported digital public services. Digital registries and data platforms were found to improve social protection delivery, and e-services

in areas such as family assistance, establishing legal identity and healthcare access to benefit marginalized groups, including occasional income gains. However, disparities persisted due to infrastructure gaps that hindered full inclusivity [39, 68]. Although UNDP aimed to address geographic, social, and gender inclusion in public service digitalization, these efforts frequently fell short of achieving their intended outcomes [68]. Promising, but limited, initiatives like e-commerce and e-learning platforms, demonstrated potential to further benefit marginalized populations [41].

During and after the COVID-19 pandemic, UNDP implemented resilience-building initiatives to strengthen governments' capacity to address vulnerabilities to future shocks, and advance equality. Guided by the LNOB principle, UNDP enhanced data collection efforts to understand social determinants of health and identify at-risk groups [98]. The Checklist for a Human Rights-Based Approach to Socio-Economic Country Responses to COVID-19, jointly developed by UNDP and UN Human Rights in July 2020, was provided to United Nations country teams to promote rights-based socioeconomic recovery, complementing the guidance for Socio-Economic Response Plans. Social and Economic Impact Assessments conducted in multiple countries facilitated discussions on equality and social protection, leading to customized support for at-risk populations. In Cambodia and Viet Nam, UNDP digitized cash transfer systems, providing critical support for those in need of social protection; in partnership with Ghana Statistical Services, UNDP launched surveys such as the COVID-19 Business Tracker, providing data to guide inclusive recovery efforts; and in Peru, a UNDP-backed survey examined the impact of COVID-19 on women's employment, enabling targeted support [21].91 Additionally, UNDP digitalization initiatives in Honduras and Montenegro enhanced transparency and efficiency within economic recovery and social welfare systems [18].

^{89 —} This high coverage targeting in Yemen was possible due to available humanitarian data. UNDP IEO (forthcoming) ICPE Yemen.

^{90 —} UNDP Transparency Portal, Open.undp.org, allows open, comprehensive public access to data on more than 10,000 UNDP projects and publishes data relating to projects worth more than \$5.8 billion.

^{91 —} UNDP (Internal), Q3 COVID Mini-ROAR Results 30 September 2020.

FINDING 14

Declining momentum of LNOB - UNDP remains a leader on LNOB within the United Nations system, but momentum around LNOB integration waned. Over time, work on LNOB suffered from insufficient guidance, incentives and resources, limiting the potential to more effectively address the root causes of inequality and discrimination. LNOB was treated as "everybody's business", but incomplete operationalization and a lack of clarity around accountability for LNOB outcomes made it "nobody's business".

Early alignment of the LNOB principle with its poverty and inequality work, along with an emphasis on intersectionality, positioned UNDP as a leader on LNOB within the United Nations system.92 Interviews with over 50 partner organizations confirmed the continued leadership of UNDP in this area. However, some agencies, such as UNFPA and UN Women, made more progress in integrating LNOB into country-level programmes and training staff.93 UNDP institutional efforts included refining its markers and metrics, incorporating an intersectionality function in Quantum, and updating the Social and Environmental Standards checklist [117]. UNDP also developed a new Human Rights Based Approach Toolkit to advance programming in the organization, including in 2023 a Learning and Listening Exercise across 36 country offices and a cross- Bureau Reference Group. Senior management also included 'LNOB focus' in the allocation criteria for receiving funds through the UNDP Funding Windows, to enhance strategic coherence.94

Unclear and diluted accountabilities for LNOB, however, continued to hinder progress, with LNOB ineffectively treated as "everybody's business and nobody's business". The IEO LNOB evaluation recommended that LNOB be positioned under the eradication of poverty and reducing inequality workstream, but instead UNDP established an inter-bureau mechanism to track LNOB

actions against the recommended glide path. This approach risks replicating the prolonged challenges seen in gender mainstreaming. Focus groups across five regional hubs reported internal fatigue in sustaining momentum around LNOB, exacerbated by the absence of formal mechanisms—such as dedicated budgets, accountability structures and focal points—for systematic coordination and learning on the integration of LNOB principles.

Operationalizing the concept of intersectionality was particularly challenging. In 2023, the UNDP Executive Board recognized the critical role of UNDP in advancing the LNOB agenda, and recommended several strategic actions.96 These included: accelerating efforts to prioritize the furthest behind through a systems-thinking approach with enhanced intersectionality; continuing the development of evidence-based tools to strengthen staff capacity on LNOB; advocating for LNOB to promote equity, equality and non-discrimination; expanding partnerships with non-governmental actors; and integrating LNOB principles, especially in efforts to reach those furthest behind first. Despite growing recognition of integrated approaches, intersectionality was not adequately promoted or treated as a distinct integration mechanism, limiting its effectiveness.

^{92 —} Intersectionality refers to the complex, cumulative way in which the effects of multiple forms of discrimination (such as racism, sexism and classism) combine, overlap or intersect, especially in the experiences of marginalized individuals or groups [119].

^{93 —} UNFPA (2024) Formative evaluation of UNFPA support to the integration of principles of "Leave no-one behind" and "Reaching the Furthest Behind", Draft Inception Report; UN Women (2021) Intersectionality Resource Guide and Toolkit: An intersectional approach to Leave No One Behind. 94 — See https://fundingwindowsreport.undp.org/

^{95 -} Management response to the 2022 LNOB evaluation and subsequent updates on implementation actions. Last update received on 18 October 2024.

^{96 —} Based on the formative evaluation of the integration by UNDP of the principles of leaving no one behind (DP/2023/8) and the management response thereto (DP/2023/9). UNDP IEO (2022) Formative Evaluation of the Integration by UNDP of the Principles of Leaving No One Behind and management response (DP/2023/9).

FINDING 15

Addressing root causes - UNDP advanced equitable service access, strengthened governance and promoted gender equality and social inclusion. Expanding social protection, renewable energy, justice, and health systems benefited vulnerable populations, while a deepened human rights-based approach fostered inclusive governance and addressed systemic inequalities. Targeted interventions supported women and disadvantaged groups, though gender-responsive programming was inconsistently applied. Insufficient guidance, incentives and resources limited potential to more effectively address the root causes of inequality and discrimination.

Non-discrimination97 was the least addressed LNOB component in UNDP, primarily due to political and cultural sensitivities and lack of buy-in and resources. UNDP adopted a cautious approach, avoiding openly tackling the root causes of inequities [109]. Rather, UNDP supported member States to uphold human rights obligations as per the mandate of the 2020 and 2024 Quadrennial Comprehensive Policy Reviews (QCPRs). Examples of this work by UNDP included building the capacity of national human rights institutions in Kenya and Zimbabwe, and digitizing grievance systems in Pakistan and the Palestinian territories [118]. Efforts to facilitate open civic dialogue around power relations and social norms were more limited. Several of the 50+ external partner organizations interviewed for this evaluation noted that this sets UNDP apart from other development agencies in the United Nations system, several of whom draw their mandates directly from international human rights instruments (such as the Convention on the Elimination of All Forms of Discrimination against Women, or the Convention on the Rights of the Child). Yet, discrimination is one of the five LNOB factors considered by UNDP, alongside geography, governance, socioeconomic status and shocks and fragility [119]. Clearer guidance and incentives could be helpful in supporting country offices to address discrimination more effectively [41].

Changes to social norms take time and are notoriously hard to measure, with the best outcomes found in longstanding areas of engagement predating the SDGs and LNOB. For instance, UNDP contributed to strengthening justice institutions and empowering marginalized communities, promoting the role of civil society through the 'Expanding Free Legal Aid in Albania' project, and promoting anti-discrimination laws and whistleblower protections in health sectors in Kosovo and Moldova [24, 120]. UNDP COVID-19 response initiatives enhanced data collection and analysis to understand the social determinants of health, identifying marginalized groups, including LGBTI communities.98 Other datadriven initiatives confirmed the UNDP commitment to non-discrimination in health, for example to identify and address specific challenges faced by LGBTI groups in Pakistan.99 UNDP used data from the Integrated Biological and Behavioural Surveillance to adapt HIV responses to community needs, leading to the expansion of Antiretroviral therapy centres and the introduction of community-led monitoring, ensuring healthcare services reached those most at risk. HIV awareness training for national authorities and medical personnel helped to reduce stigma and discrimination, improving service delivery for marginalized populations.¹⁰⁰

^{97 —} Non-discrimination, as defined in international treaties, prohibits unequal treatment based on characteristics like race, gender, age, or sexual orientation.

^{98 —} See COVID Mini-ROARs.

^{99 —} Global Fund HIV Grant - Accelerated response to HIV through effective prevention, treatment, care and support interventions for Key Populations and surveillance in high-risk areas: https://www.undp.org/pakistan/projects/hiv-prevention-treatment-care-and-support-gf-hiv) 100 — Ibid.

Efforts to address deep-rooted power differentials faced barriers, including entrenched cultural norms, intergenerational marginalization, and the reluctance of some governments to acknowledge certain groups. UNDP encountered challenges in fighting discrimination, such as resistance to LGBTI advocacy at country level. Some portfolios developed during the assessment period (e.g., Pakistan, Ethiopia, Uganda) aimed to tackle the root causes of marginalization based on detailed situation and systems analysis. UNDP prioritized creating an 'authorizing environment,' aligning its efforts with the perspectives of member States to facilitate acceptance of its initiatives. Nevertheless, limited funding, inadequate incentives, and insufficient rewards for addressing structural discrimination, particularly in gender-related initiatives, constrained progress.¹⁰¹ Despite allocating a substantial portion of core resources to gender initiatives, funding for 2022-25 did not align with the commitments to normative change articulated in discourse, limiting the ability of UNDP to reach the furthest behind [41].



^{101 —} The consensus among UNDP leadership at headquarters and regional levels was that UNDP does not do advocacy but "helps change systems from the inside".



6.3 Strategic Enablers

The Strategic Plan laid out a vision of UNDP as an effective partner in transformational change through a new culture "that embraces complexity, actively manages risk, adapts and seeks learning alongside delivering results". The three Strategic Enablers (Strategic Innovation, Development Financing and Digitalization), along with its futures and foresight work, were central to this culture shift, which began in the previous cycle. Each of the Enablers had the dual objective of expediting development outcomes and enhancing internal capacity and processes.

EVALUATION QUESTION

How did the Enablers contribute to the Directions of Change? And to what extent has UNDP developed a futures-thinking learning culture that is improving its support to countries?

OVERALL RESPONSE

UNDP made progress in fostering a futures-thinking learning culture and advancing the Directions of Change of the Strategic Plan through its Strategic Enablers-Innovation, Digitalization, and Sustainable Development Finance, and more recently through its futures and foresight work. These initiatives helped UNDP to work through systemic challenges and promoted adaptability by introducing innovative approaches. The strategic innovation Enabler transitioned from scaling isolated innovations to promoting systems-thinking with a portfolio approach. The digitalization Enabler grew in relevance, responding to the critical and rapidly evolving context since supporting governments during COVID-19 and introducing tools like DRAs to advance holistic digital transformation. The sustainable finance Enabler helped to shape regional and global policy discussions on issues such as regional conflicts and global warming. UNDP thought leadership, exemplified in forums like the G20 and COP29, helped to trigger and leverage significant resources for SDG implementation. However, the opportunity remains to enhance the full potential of the Enablers by institutionalizing futures-thinking, strengthening their integration into programmes and with each other, improving cost recovery mechanisms to help build capacity to support the growth of sustainable finance, digitalization and systems-thinking. These improvements could further enhance organizational learning and more effectively support countries.

FINDING 16

Enablers of change - The three UNDP Strategic Enablers were essential for maintaining relevance amid evolving contexts and prominently supported the Directions of Change. The innovation and digital enablers were refined to address macro challenges faced by countries, while the sustainable development finance enabler advanced policy discussions on the urgency of SDG financing at national and global levels. All enablers faced challenges in transitioning from assessments to effective delivery and achieving concrete results at scale.

The UNDP Strategic Enablers evolved to respond to changing development contexts, in alignment with the Directions of Change. UNDP support for development finance, in particular, responded to a shift in ODA patterns, a significant deficit in available funding to fulfil the SDGs, and country demands to navigate complex finance landscapes. The digital enabler responded to the pressing need to maintain government operations during COVID-19, and later to demand for digital components in projects. The strategic innovation enabler responded to a shift towards systems-thinking and donor fatigue

with siloed and repeat projects, but has not yet widely proven its ability to address entrenched problems more effectively than the consistent and quality application of existing approaches. The EGM revealed that 47 percent (542 of 1,157) of reviewed evaluations highlighted the role of at least one Strategic Enabler, signalling a significant effort by UNDP to use them to accelerate results, and an effort by evaluators to report on their contribution. (See Figure 4 below).

FIGURE 4
With the sole exception of digitalization for resilience building, across settings innovation was the most mentioned Strategic Enabler in evaluations (2020–2023)



Source: IEO 2024 SPE - Evidence Gap Map

Strategic Innovation

The UNDP Strategic Plan 2022-2025 reoriented its innovation assets from scaling small innovations to "more purposefully supporting partners with systems transformation". This shift emphasized systems-thinking as a core design tool, mainly through a portfolio approach, moving away from scaling smaller innovations, which had produced mixed results.¹⁰² Unlike individual innovations, portfolios are designed to begin at a macro or meso scale, with a comprehensive understanding by key stakeholders around a specific development challenge to be addressed. 103 Staff widely acknowledged that systemsthinking added value to their work. Positive changes in system composition or behaviour were still limited, as most portfolios remained in early design or exploration stages, but encouraging results were found in longerrunning initiatives, such as in Tunisia and Serbia.¹⁰⁴

A key challenge to achieving greater results was the different degree of willingness of countries to buy into systems-thinking and ensure stakeholder interactions for integrative approaches beyond the design phase. One approach to operationalize integration and systemsthinking was the creation of portfolios, but experiences showed that, while national partners showed interest in the design process, in the absence of strong ownership of the broader systemic vision, stakeholders often reverted to traditional roles during implementation [90, 121, 122]. Cross-disciplinary collaboration remains a challenge both for UNDP and government departments. It has been challenging to build credibility through concrete results, because portfolios rely on existing project resources, and UNDP has yet to identify an alternative funding model [123, 124].

The Accelerator Labs had been a key feature of the UNDP innovation approach since the previous Strategic Plan period, generating much learning but achieving mixed success in scaling innovation [49]. UNDP centrally

funded three new positions in 91 Labs, and created space for the Labs to innovate by freeing them from resource mobilization and project management requirements [49]. This strategy enabled countries in a wide range of development contexts - with strong coverage of LDCs, SIDs, and conflicted-affected States – to access innovation capacities, regardless of their resource mobilization opportunities or the strength of their national innovation sector. Analysis of the Accelerator Labs database shows that, at programme level, they concentrated on waste management (including in the informal sector), digital inclusion and public sector innovation, with lighter engagement in UNDP objectives on justice, governance, gender and conservation [24]. Lab initiatives primarily targeted urban areas, with most working towards SDG 11 - Sustainable Cities. While many intermediary outcomes emerged, there were fewer transformative breakthroughs. Since 2023, 163 Lab initiatives reported wider influence, though they rarely influenced processes or partners outside of UNDP, or scaled successes.¹⁰⁵ Accelerator Labs were held back in achieving scale by a tendency to start anew identifying issues and solutions in a bottom-up process, rather than scale up proven solutions.

With the shift towards systems-thinking, Accelerator Labs have been instrumental in helping to develop project portfolios. Accelerator Labs supported 80 percent of the portfolios created to date, by conducting research, engaging partners and facilitating design workshops, and there is evidence from Strategic Innovation Units that this engagement results in higher quality portfolios [49]. Country offices that featured Labs – such as Lesotho, South Africa, Uruguay, and Paraguay – found value in embedding Lab functions directly within their programmes. In Bhutan, the Lab introduced systems-thinking to tackle youth unemployment and applied behavioural insights in waste management. In Nepal, it addressed urbanization and economic empowerment for youth and women [42].

 $^{102 - \}ln$ its 2018 evaluation, 21 of 142 initiatives supported by the Innovation Facility had gone to scale.

^{103 —} Based on a review of portfolio designs and Accelerator Lab initiatives in this evaluation, and triangulated with the CA study (2022) which identified a noticeable shift towards innovation being considered as 'strategic' in both content and development processes.

^{104 — 2024} ICPE Serbia data collection.

¹⁰⁵⁻ This may understate their achievements as early initiatives are not included.

¹⁰⁶⁻Based on analysis of the Portfolio Compendium, the Accelerator Lab database, and interviews.

Similarly, in Uzbekistan, systems-thinking was applied to "Future of Work" and green transition projects; while in Cambodia, Lab tools improved civic engagement between CSOs and local authorities [110]. Accelerator Labs have been pivotal in driving in-country implementation of

UNDP digital support. 72 of the 89 Accelerator Labs were directly involved in implementing digital initiatives, and over half of Digital Advocates in the Network come from Accelerator Labs.

Sustainable development finance

UNDP made progress in attracting finance to support national SDG agendas, but faced challenges in scaling initiatives, building partnerships and addressing systemic barriers. Through this Strategic Plan period, UNDP strengthened its leadership in sustainable development finance within the United Nations system. The establishment of the SFH in 2019 provided the institutional foundation to advance sustainable finance initiatives like INFFs, which since 2021, have enhanced policy coherence, financial transparency and the alignment of financing with sustainability goals [99]. As Secretariat of the G20 Sustainable Finance Working Group, UNDP provided thought leadership to G20 governments on key issues, and facilitated new partnerships, resulting in its appointment as the implementing partner for the European Union's new Sustainable Finance Advisory Hub.

UNDP offerings in development finance continued to evolve, leveraging the credibility of longstanding initiatives such as the Biodiversity Finance Initiative (BIOFIN) and Tax Inspectors Without Borders [37]. These initiatives strengthened revenue authorities and helped countries to adopt SDG-budgeting, climate-related budgeting, and gender-sensitive fiscal policies. UNDP recently expanded its INFF approach to include a focus on specific challenges such as LNOB, climate change and Disaster Risk Reduction.¹⁰⁷ Longstanding initiatives like BIOFIN delivered cost-effective support to governments, while Tax Inspectors Without Borders strengthened the capacity of revenue authorities. OECD recognized

UNDP as a valuable partner for facilitating access to governments and integrating development financing into national policy environments [99].

UNDP work with thematic bonds and SDG impact efforts were in early stages, with potential for growth despite constraints. Rising demand for responsible investment, and efforts to combat greenwashing, highlighted the relevance of bonds and impact measurement. However, country office respondents noted persistent challenges, particularly in conducting thorough and timely due diligence on private sector partners to mitigate reputational risks. Progress has been seen in supporting green and SDG bonds in diverse contexts, including Fiji and Indonesia [99]. However, UNDP did not have sufficient internal expertise to advise on debt sustainability risks, limiting scalability. Additionally, comprehensive execution in natural capital markets required more resources and expertise, and insufficient follow-up funding and headquarters investment were available.

To address the global SDG financing gap, UNDP launched its \$1 trillion "moonshot", to mobilize public and private investment by 2025. This initiative significantly elevated UNDP ambition to address the SDG financing gap. 108 Staff across the organization broadly viewed it as a positive step, which has clarified UNDP objectives and inspired other moonshots such as the \$100 billion 'sub-moonshot' on financing for gender equality. Reporting requirements for the moonshot became more systematic, but country office respondents noted challenges in tracking progress.

^{107 —} See INFF technical guidance documents: https://inff.org/resource/inff-technical-guidance-documents.

^{108 —} The United Nations Interagency Task Force on Financing for Development reports that current needs for investment are at \$4 trillion annually. United Nations, Inter-agency Task Force on Financing for Development (2024): Financing for Development at a Crossroads. https://developmentfinance.un.org/fsdr2024

The \$1 trillion moonshot compelling was a communication and advocacy tool, but may overlook the gradual effort needed to develop capacity and conducive policy environments for sustainable development financing. Before new funding becomes available for development goals, UNDP must spark interest in innovative financing, identify funding sources, and strengthen the ability of countries to direct resources to development challenges. For example, the BIOFIN initiative, launched in 2012, initially focused on biodiversity budgeting with finance ministries, only generating new resources after years of groundwork [37]. Similarly, while governments value INFF for strategic planning, it initially functioned as a governance tool rather than a funding source [99]. This foundational support is crucial for creating the conditions to attract future investments, especially in poorer countries, and to ensure that any new resources are directed towards sustainable development. The UNDP theory of change follows a gradual path, providing neutral advice to build awareness and mobilize domestic resources over time, contrasting with typical donor funding.

Partnerships with potential funders yielded some progress, but results were modest, with UNDP offerings not yet fully resonating with established actors [37, 56]. While several multilateral development banks (MDBs) are INFF partners, evaluations showed varying levels of engagement, and interviews revealed frustration over limited collaboration beyond traditional loans, especially in conflict-affected areas [99]. UNDP has MoUs with some MDBs, but these partnerships often lacked influence at country level and relied heavily on the interest of local leadership. Some country offices reported successful partnerships with MDBs, such as Mongolia, where UNDP climate policy advice supported an Asian Development Bank loan [125]. Other partnerships were more challenging, as UNDP outreach on impact measurement standards faced obstacles, highlighting the difficulty for UNDP to clearly articulate its value.

Leveraging substantial private capital for the SDGs was a challenge. The SDG Impact initiative identified over 600 investment opportunities across 40 emerging

economies, and SDG Investor Maps aimed to provide market intelligence by identifying Investment Opportunity Areas with potential for both commercial returns and developmental impact. Country offices reported that SDG Investor Maps were valuable for initiating private sector conversations (e.g., in Rwanda, Namibia, Uzbekistan, and Zambia), but they seldom led to investments [40, 127].¹⁰⁹ In Viet Nam, for example, extensive efforts to attract private and foundation financing, such as social impact funds, showed limited tangible results [34]. While the maps offer valuable market intelligence and highlight investment opportunities, they do not address the critical structural and policy barriers needed to facilitate actual investment flows, including inadequate incentives, regulatory frameworks and market readiness [126]. The SDG Impact team acknowledged that initial communications may have overstated the potential of the maps, and was working to clarify their purpose. Addressing gaps such as fragmented policies, unclear industrial strategies, and inadequate financial instruments would be essential to unlock the potential of these tools and drive meaningful progress towards the SDGs [126].

Efforts to integrate sustainable finance into other programmatic areas progressed but remained underdeveloped. The Nature, Climate and Energy team, with support from the SFH, co-founded the Taskforce on Nature Financial Disclosures to influence corporate risk management for nature, now a major forum with 40 members holding \$20.6 trillion in assets [37, 126]. 13 countries aligned their NDCs with INFFs. The "Equanomics" initiative, jointly led by SFH and the Gender team, focused on fiscal policies for gender equality. Collaboration between SFH and the health team also grew, notably through the Tax for SDGs initiative, which explored fiscal policies to strengthen health systems. However, limited collaboration with the governance team on curbing illicit financial flows constrained progress in this area. The Sustainable Energy Hub launched innovative models of aggregating finance for community energy infrastructure, but its DREI Framework was not yet fully integrated with SFH private capital efforts, despite the prominence of renewable energy in SDG Investor Maps.

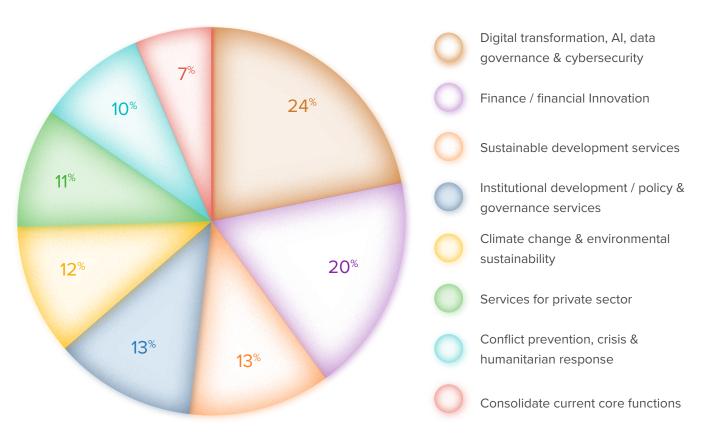
Digitalization

UNDP significantly advanced digitalization through its COVID-19 response, though its level of support declined post-pandemic [22]. The digitalization Enabler evolved into a more comprehensive, principles-driven approach to supporting digital transformation. The first UNDP digital strategy advanced UNDP digital capacity through new delivery models, platforms and partnerships. The Digital Strategy 2022-2025 leads with UNDP principles, putting human rights at the centre, and offers positions on gender, LNOB, localization and partnership. A key contribution of the digitalization Enabler to the Directions of Change was the introduction of DRAs, offering a broader view of national digital landscapes. DRAs underscored a holistic approach to digital transformation, supporting a wholeof-government approach, which was important to ensure results in improved public services [127].

The Chief Digital Office (CDO) is driving the UNDP "digital by default" approach, encouraging the consideration of digital elements in all project designs. UNDP broadened digital awareness with Digital Guides outlining opportunities, risks and links to programmes. New staffing models included dedicated digital focal points funded by environment and health teams, with a shared governance role, and Digital X offered country offices access to a catalogue of 100 technical solutions. The ongoing challenge for UNDP was to ensure that offices understood 'digital by default' as a lens incorporating digital principles – rather than digital technology – into programming, as was seen in early e-justice and environmental efforts [24, 37, 68, 100].

Technologies like Al and machine learning offered opportunities, but the rapidly evolving digital landscape also posed challenges in balancing opportunities, risks and priorities. Over 60 percent of UNDP leadership recognized the potential of emerging technologies to increase productivity and efficiency [128, 12]. Evaluations, surveys and focus group discussions also highlighted digital transformation, AI, data governance, and cybersecurity as critical growth areas (see Figure 5) [14]. Progress was evidenced in the UNDP collaboration with the Secretary-General's Tech Envoy on digital safeguards.¹¹⁰ UNDP developed an Al Landscape Assessment, completed or underway in nine countries, to support national governments in prioritizing actions for the safe and inclusive rollout of Al. UNDP governance expertise positions the organization to address issues of ethics, inclusivity and rights in the digital realm, but these strengths have not been fully leveraged. Digital principles are inconsistently integrated into country programmes and lack robust monitoring frameworks to assess their impact on marginalized populations. Evaluations highlight persistent issues of exclusion and human rights in the digital world, even in digitally advanced nations [68]. The UNDP Digital Strategy addressed these risks, and urged business units to seize opportunities to champion human rights in digital. UNDP support for India's G20 presidency was a successful example of these principles, but wider application across programmes was inconsistent, limiting impact [68].

FIGURE 5
Digital transformation and finance were UNDP leaders' top priorities according to a 2024 survey



Source: UNDP Business Model Review Leadership Survey, August 2024

FINDING 17

Learning culture - The UNDP Strategic Enablers fostered a culture of experimentation and learning within the organization by promoting systems-thinking, innovation and digitalization and the leveraging of sustainable finance. These Enablers enhanced country office engagement with partners on emerging approaches and technologies, though efforts to support continuous learning and adaptation were still in the early stages and limited in scale.

UNDP strengthened awareness and capacity in sustainable finance and digitalization among country offices through targeted training initiatives, contributing to a growing learning culture. These initiatives fostered a culture of continuous learning by better equipping country offices with tools. For example, the SDG Finance Academy and digitalization training were both highly valued by staff, and improved their familiarity with UNDP offerings, though many staff considered them insufficient to confidently engage with partners. The newly established SFH and CDO provided centralized

and specialized knowledge in their respective areas, and each trained several thousand staff and partners during the assessment period. These efforts enhanced readiness, though gaps remained in specialized expertise at country level, such as financing energy transitions [99]. The CDO and SFH expanded UNDP global expertise, including through the Global Policy Network (GPN), but both units were understaffed to meet the growing demand [99]. Training programmes responded to staff interest rather than setting minimum capacity standards.

The Strategic Innovation Enabler promoted a culture of experimentation in systems-thinking. A recent evaluation of the deep demonstration model for the portfolio approach found it had led to six primary outcomes: improved intra-office collaboration, a more systemic framing of development challenges, enhanced skills and capabilities, broader partnerships, cultural shifts extending beyond UNDP, and changes in internal processes [130]. The first four of these outcomes were found to be more prominent in country offices, while cultural shifts and internal process changes were nascent. As the portfolio approach developed, concerns emerged that it might become overly procedural, potentially constraining country office systems-thinking.¹¹¹

The Strategic Innovation Enabler also introduced new processes for contextual analysis, further embedding a learning mindset within UNDP. Approaches such as sense-making and human-centred design encouraged country offices to analyse challenges from multiple perspectives, engaging diverse internal and external expertise [130]. Staff described the process as intense but rewarding, highlighting its potential to deepen institutional learning. However, it remained a one-time effort, without a systematic follow-up process, limiting its contribution to continual learning. Some respondents noted that UNDP did not yet advance a model of impact measurement that could robustly test whether systems are improving, and for whom. M&E staff explained that, while a systems-thinking lens can facilitate the measurement of UNDP impact by providing a clearer picture of how activities combine towards a common goal, it is not currently well aligned with existing systems and parallel to ROAR and project-specific M&E processes and requirements.

Accelerator Labs expanded UNDP tools for understanding local contexts, advancing a culture of exploration. Methods such as collective intelligence, horizon scanning, foresight and solutions mapping to identify strategies and interventions informed some programmes, though insights often remained

disconnected from implementation. Accelerator Lab research was positively linked to UNDP programmes in several cases, but overall, the Labs appeared to produce very specific insights detached from country programme implementation, and sometimes produced lessons that were already well-established. In 2023, the Labs shifted to a research and design function for the SDGs, and collated learning into global knowledge products on key focus areas. This produced new knowledge on issues of informality, technology and local resilience, but it was not yet clear how this function added up to an agenda for research and utilization.¹¹²

UNDP introduced new knowledge streams, but did not yet fully integrate its global offer and existing capacities, limiting the potential to foster a cohesive learning ecosystem. Some initiatives, like Ethiopia's multi-year research agenda on critical policy issues, showcased how aligning knowledge production with national priorities can enhance learning and generate impactful studies that support economic planning [90]. Overall, however, there was limited integration across country offices, UNDP global publications (e.g., HDR, Signals Report), analytical tools (Sense Making, Deep Demonstration), data collection (Accelerator Lab research), and knowledge networks (GPN, Communities of Practice, South-South Cooperation, Accelerator Labs Network).

The Strategy and Futures area, which aimed to embed foresight as a core capability within UNDP by fostering foresight literacy and building a futures network, advanced and showed potential. The Future Trends and Signals System provided a real-time database of trends and signals, supported by guides and case studies, and the Futures Portal, launched in 2023, offered centralized foresight resources. The 2024 UNDP Staff Strategic Foresight Survey showed that foresight capabilities were growing, and that staff derived value from this. The 2024 United Nations 2.0 Executive Assessment recognized the above-average performance of UNDP in developing and applying foresight in strategy and planning.

^{111 —} Country office and regional bureau interviews and results from the All-Staff Survey (October 2024) echo the sentiment that innovation sentiments are complex and difficult to translate into practice.

^{112 —} Accelerator Labs database, August/ September 2024.

^{113 —} For a description of the Signals System see UNDP Future Trends and Signals System: https://signals.data.undp.org/

However, the confidence of UNDP leaders in newer learning and insights capabilities was mixed. The August 2023 Perception Survey identified impact measurement, foresight and innovative intervention design as weaker areas, with leaders still maintaining confidence in traditional methods like project implementation, capacity development and policy design.¹¹⁴ However, leaders

anticipated that new areas would grow in importance over the next five to ten years, indicating a readiness gap rather than a dismissal of upcoming capacities and their value. Many of the newer learning areas are still under development or lack adequate funding.

FINDING 18

Enabling ambidexterity in strategy and operations - UNDP successfully balanced the 'exploitation' of existing strengths with the 'exploration' of future opportunities, constituting a significant change in promoting transformational change through the implementation of the Strategic Plan. Seed funding played a crucial role in initiating and incentivizing this approach, though the resulting new structures were not fully integrated, and viable funding alternatives continued to pose challenges.

UNDP embraced the need to address future challenges and explore innovative approaches to persistent development issues. The Strategic Plan envisions UNDP as a transformational partner "that embraces complexity, actively manages risk, continually adapts and seeks to learn alongside delivering results". Multilateral organizations like UNDP face various demands which challenge their ability to balance present demands with innovation and anticipate future ones, due to pressing contextual needs and structural factors such as budget cycles and donor-dependency they tend to focus on refining existing strengths [13].

The breadth of UNDP foresight work was impressive, in terms of future trends and geographic coverage, but the channels to integrate insights into programming were not clear. The future trends highlighted in the Signals Spotlight Report 2024 were relevant, but not obviously addressable by UNDP programmes or the thematic focus of the new portfolios and Accelerator Labs [29]. Nor were they entirely connected with the capabilities of governments, who were yet to fully recognise the

relevance of horizon-scanning. In the 2024 Perception Study, "anticipates future challenges" was amongst the partnership factors that governments considered to be least influential. This could be an indication of the early phase of this work, which has potential but still requires significant investment, concerted effort, buy-in and capacity development.

Accelerator Labs exemplify UNDP commitment to exploration, fostering innovation across 91 country offices since their launch in 2019, and supporting futures-spotting capabilities. These Labs enabled countries in a wide range of development contexts to access innovation capacities, with strong coverage of LDCs, SIDs, and conflicted-affected States, despite challenges with resource mobilization and weak national innovation sectors. The UNDP Lab Network is one of its most active communities of practice, contributing to global initiatives like the Futures Report, and regional projects such as the Oceans Challenge. In 2024, Accelerator Labs contributed 43 percent of the 'signals' on the Futures Platform, adding 30 new countries with signals. However, the coordination

^{114 —} Risk monitoring and management, data collection and analysis, and knowledge sharing and learning - related areas - were ranked fourth, fifth and sixth weakest respectively.

^{115 —} These trends were renewable energy, circular economy, environment, forests, future of work, technology, Al, food, trade, youth, air quality and vaccinations.

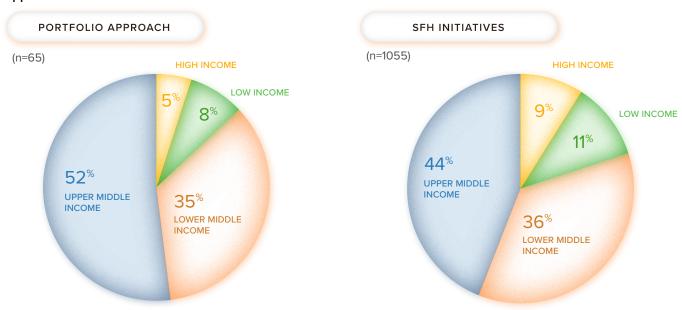
of Accelerator Lab work with country offices was uneven, compounded by structural differences that gave Labs greater flexibility in resource mobilisation and project management. The focus of Labs on disrupting "old ways of working" emphasized the need for a mindset shift, overlooking the extent to which UNDP organisational culture was shaped by its business model [49]. UNDP has many innovative and learning-focused initiatives in its core programming, and the main reasons that programme staff lacked time for experimentation were the demands of programme implementation and resource mobilization [36, 77, 86, 131].¹¹⁶

Accelerator Labs face an uncertain future after central funding ends in 2025, despite a strategy for sustainability exploring diverse funding streams. The Labs reached a point where their temporary status needed to be addressed. Country office leaders and Accelerator Lab staff reported increasing challenges in retaining and attracting new talent, especially in countries with active innovation sectors. While certain country offices have incorporated Accelerator Labs within their existing programmes structures, but without a clear resourcing model.

UNDP Enablers did not establish an offer tailored to all development contexts. In the case of development finance, support was mostly applied in large, stable MICs. Mobilizing financing from alternative sources may have been most urgent for higher income developing countries, where ODA reduced more quickly, and LDCs and SIDS were less equipped to seize the opportunities provided by various UNDP offers. Smaller offices found initiatives like INFFs and SDG Investor Maps resource intensive [65, 99]. The portfolios created under the Innovation Enabler also focused more on higher and middleincome countries, where there was already momentum for systems-thinking in country office programming and interest from government and donor partners to pursue a more integrated approach to development issues.¹¹⁷ A significant proportion of low-income countries (e.g., Burkina Faso, Ethiopia, Malawi, Mozambique, Myanmar, Pakistan, South Sudan, Zambia and Zimbabwe) invested in the portfolio design process, but did not mobilize funds. The UNDP response to the digital requirements of governments during the COVID-19 pandemic worked in all development settings, but foundational support to countries' digital ecosystems was more narrowly applied [68].

FIGURE 6

Lower income countries struggled to take advantage of UNDP sustainable finance initiatives and the portfolio approach



Source: UNDP Compendium of Portfolio Country Cases, August 2024 and UNDP Sustainable Finance Hub, November 2024

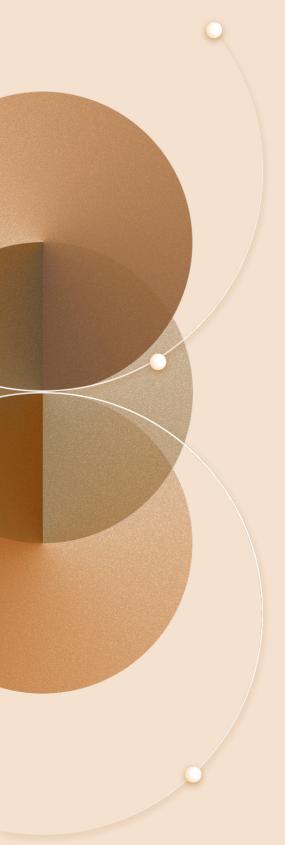
^{116 —} Triangulated through interviews and focus groups with RBAP, RBA, Crisis Bureau, Nature team and SDG Integration. 117 — IEO analysis of the portfolio compendium (August 2024).

Cost recovery of UNDP Enablers was challenging due to the advisory and exploratory nature of their support, undermining sustainability. Enablers primarily provided advisory and research support services, which require substantial time investment and lack a consistent revenue model. These offerings were initially established using core resources, complemented by government and donor-supported flagship projects, with no clear strategy to sustain in the case of decreased external funding. Efforts to achieve financial sustainability risked reverting to a project-based model with inconsistent funding. The CDO established a graded cost recovery model for DRAs, leveraging fees for additional support, but full cost recovery was not attained. In partnership with the International Telecommunications Union, under the Digital Window of the Joint SDG Fund, UNDP supported 15 programmes to secure \$30 million for digital transformation in 23 countries, with additional resources mobilized from other sources. SFH received \$18.5 million in core funds and mobilized \$50 million in non-core funds. a resourcing model which has been catalytic in supporting organisation-wide uptake of the development financing Enabler. Core funding has been essential for initiatives like thematic bonds, the SDG Impact Initiative (now supported by a donor), and the SDG Finance Academy, which still depends on core funding, while programmes like Tax Inspectors Without Borders were entirely donor funded. While core resources sometimes attracted further donor support, limited impact measurement raised concerns about long-term sustainability.

The portfolio approach was yet to offer a viable alternative to the traditional project funding model. UNDP reported \$175 million in confirmed funding (across 70 portfolios) for systems-level work, giving UNDP a body of work to leverage new funding separate from the project modality. In practice, pooling resources at the portfolio level ran counter to many donor requirements for earmarking funding, and by October 2024, 25 countries had not yet mobilized resources for their portfolio design. The 2024 introduction of the Portfolio Approach Policy was promising, but this created inefficiencies in staff time that were expected to last until the Policy was further aligned with established UNDP processes for CPD design, resource mobilisation and reporting. Some country offices have already adopted systems-thinking at

the CPD level – though they have done so without clear operational guidelines for a comprehensive transition in operating procedures.





6.4 Organizational efficiency and effectiveness

EVALUATION QUESTION

What most significant changes promoted by the Strategic Plan enhanced organizational efficiency and effectiveness fostering a more flexible and agile UNDP?

The Strategic Plan introduced several significant changes aimed at enhancing UNDP organizational efficiency and effectiveness, fostering greater flexibility and agility. The adoption of the Quantum ERP system advanced risk management and data-driven decisionmaking, although challenges in change management and training slowed its full integration. Service clustering enhanced compliance and standardization, and made some modest cost savings, but funding gaps and rigid processes disrupted service delivery, particularly in recruitment. Centralizing cost recovery strengthened technical expertise but resulted in resource allocation misalignments that complicated operational service delivery. More flexible human resource mechanisms, including Personnel Service Agreements (PSAs), increased adaptability but raised concerns. During the COVID-19 pandemic, streamlined procurement demonstrated operational resilience, achieving cost efficiency and compliance under challenging circumstances. Additionally, diversity, equity and inclusion (DEI) initiatives advanced gender parity, but faced challenges in retaining talent and addressing geographical disparities. These measures demonstrated UNDP adaptability and commitment to improvement, presenting an opportunity to further advance operational excellence through more integrated operational strategies, improved resource alignment, and targeted efforts to address systemic inefficiencies.

FINDING 19

Organizational efficiency and effectiveness - UNDP underwent operational improvements that introduced necessary changes and benefits, reinforcing its role as a responsive partner and transparent operational backbone to the Resident Coordinator offices and other United Nations agencies amid evolving contexts.

Ongoing UNDP efforts to refine its operational processes, instruments and structures demonstrated its strong commitment to continuous improvement and adaptability. The UNDP response to the COVID-19 pandemic showcased its operational agility. Service clustering helped to enhance compliance, data integrity, risk management and process standardization. The much-

needed transition to the Quantum ERP system, while still maturing, advanced risk management with data-driven decision-making, essential for optimizing operations. Cost recovery continued to represent an essential element of the UNDP operating model, but posed challenges to its business model.

Clustering

Clustering operational services aimed to enhance efficiency and effectiveness, but challenges in service speed, volume management and underfunding of the Global Shared Services Centre (GSSC) limited its full potential. Clustering of operational services followed a sound business case, and improved compliance and process standardization. However, there were challenges in managing the speed and volum e of services, and the funtding model inadequately resourced GSSC units, hindering both its contribution to implementation of the UNDP Strategic Plan and services to the broader United Nations System. Clustering improved savings in some instances, but highlighted the need for better tracking of contributions to the Strategic Plan. UNDP clustering of administrative services, based on a "Shift then Fix" approach, sought to improve efficiency and effectiveness, in alignment with the Secretary-General's reform agenda. 118 Since 2018, UNDP consolidated 21 processes, including new services, across eight locations. 119 Data from the GSSC also showed a 50 percent reduction in audit recommendations on human resources and finance between 2017 and 2023.¹²⁰ Payroll costs decreased due to economies of scale, and a net benefit of \$5.5 million was reported in 2023 following the Quantum deployment. However, capturing long-term savings and benefits requires more robust tracking mechanisms, as recommended by the 2022 internal audit.¹²¹ Given that GSSC services over 80 United Nations entities, these improvements have system-wide implications.¹²²

Balancing centralization with flexibility remained a challenge. Despite the benefits, clustering has struggled to meet the specific needs of country offices, particularly in recruitment. Country offices expressed concerns about delays and inflexibility in urgent recruitments, while GSSC faced strain from increasing volumes of PSAs. Limited automation, high workloads and limited capacity have led to increased burdens on country offices, particularly those managing common back offices.

Underfunding of the GSSC hindered its support to the Strategic Plan. In 2023, the GSSC received \$31.7 million, short of the estimated \$37.1 million needed. This forced it to rely on reserves, and raised concerns about

^{118 —} A/72/684 Repositioning the UNDS to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet.

^{119 —} GSSC, Service Catalogue, October 2022; however, many more processes are impacted by clustering.

^{120 —} The clustering business case anticipated a five-year stabilization period.

 $¹²¹⁻Performance\ audit\ of\ the\ UNDP\ clustering\ process,\ Report\ No.\ 2428,\ 16\ September\ 2022.$

^{122 — 50-55} percent of GSSC Human Resources benefits, entitlement and payroll services benefitted 40+ United Nations agencies.

transitioning to a full cost recovery model. This funding gap, combined with tools like the Universal Price List (UPL) and unclear workflows with country offices, complicated service provision and coordination.¹²³ High vacancies and turnover, including 46 percent in the regional recruitment team, further strained service delivery. Persistent underfunding since 2022 led to an overreliance on PSA contracts to fill core functions, resulting in poor retention and lower responsiveness. A lack of clear definition of core functions compounded these issues, making it harder to determine when to hire PSA or permanent staff. Recruitment, the most frequently flagged issue, saw volumes surge to nearly 1,100 cases in Q2 2022, exceeding Service Level Agreement (SLA) response times. By Q1 2023 open cases were reduced by 45 percent, and delivery rates, while still exceeding SLA targets, were on average 10 days faster than country offices.

Unclear authority lines between corporate units and country offices, combined with outdated tools like the UPL, complicated coordination, service delivery and oversight. Initial savings, including a 50 percent reduction in administration service charges for payroll and human resources and \$5.5 million in net benefits of clustering in 2023, highlighted the potential of the clustering initiative.

However, the posting of GSSC personnel to regions with overlapping time zones limited the Centre's ability to coordinate teams and further improve cost efficiencies. Rationalization of GSSC locations and better alignment of resources could have improved team coordination and further reduced costs.

The UNDP COVID-19 response showcased the potential of clustering for implementation of the Strategic Plan, and to enhance resilience and operational efficiency [132]. Centralized procurement processes streamlined health supply chains, while fast-track and decentralized procurement reduced disruptions and improved delivery times. By diversifying supply sources, establishing over 120 long-term agreements, expanding its roster of biomedical engineers, and classifying medical supplies by risk level, UNDP ensured the prioritization and timely delivery of essential supplies even in challenging conditions. These efforts had saved \$29 million by 2023, reduced reliance on external agencies, and ensured compliance with international quality standards. Successes in countries like Mozambique and Zambia highlighted the capacity of clustering to support sustainability and strategic flexibility, though further refinement was needed to ensure consistent impact [132].

Cost recovery

The centralization of cost recovery income, and subsequent adjustments to the budget process, have posed challenges to implementation of the Strategic Plan. Since 2017, cost recovery income, irrespective of source or service type, has been centrally managed.¹²⁴ These changes did not fully account for the distinct role of UNDP as the largest service provider to the United Nations system, nor did it adequately address the needs of a highly decentralized organization. Resources were not properly linked to results in alignment to the Strategic Plan framework. In 2022, UNDP introduced new guidance for the budget formulation process, to increase the visibility of overall UNDP operating costs

and establish more consistent budgeting practices [134]. For the 2023 institutional budget, all collected resources were consolidated, including cost recovery from all sources and government payments for UNDP presence. Key service units such as the GSSC were grouped with other units under the label of "corporate cost centres", despite generating their own cost recovery. While this approach aligns with corporate practices in other United Nations funds and programmes, the distinct operating model of UNDP, characterized by its scale and extensive service-provider role, adds layers of complexity to these arrangements.

^{123 —} The UPL is issued by the Office of Financial Management, which is somewhat removed from the provision of services, both at the GSSC and country level

^{124 —} Expenditure of Income Accrued from Cost Recovery, POPP policy effective 1 January 2017.

^{125 -} GLOC and UMIC/NCC contributions.

Centralizing cost recovery income for General Management Support improved access to technical expertise, but failed to resolve cost recovery issues and introduced new challenges. Although the 2022–25 Integrated Budget indicated a cost recovery rate of 6.5 percent, a reduced rate of 3-5 percent was allowed to encourage government cost-sharing, with the agreement of the Executive Board. This lower rate benefited certain countries and projects, but risked the goal of full cost recovery. The Integrated Resource Plan for 2022–2025 estimated cost recovery at \$1.61 billion, slightly below the projected \$1.63 billion required for the actual cost of management activities.

Centralization disconnected cost recovery income from the units generating it, such as the GSSC, requiring them to request funds back to continue service delivery. This raised questions about full cost recovery implementation, especially since, unlike General Management Support, operational services were direct costs tied to specific programmes, and absorbing their income into the corporate budget disrupted the link between income and service delivery. In 2023 alone, UNDP income from cost

recovery from all sources amounted to \$312 million, of which \$53 million was for reimbursable services to United Nations entities. Interviews with country offices indicated that up to 50 percent of operational staffing served external United Nations clients. As such, operating units had difficulty explaining their realistic levels of service to UNDP programmes and appeared oversized on paper, when compared to the programmatic resources they supported.¹²⁷

It was a challenge to clearly illustrate how different funding sources supported programmatic outcomes and organizational structures. The lack of explicit connections between the different allocated resources and Strategic Plan results limited the ability of UNDP to demonstrate the impact of its investments across diverse country contexts and funding streams. This gap affected transparency and accountability, while weakening the ability of UNDP to advocate effectively for the value of specific funding sources to advance strategic priorities and sustain long-term development impact.

Quantum

The transition to Quantum ERP aligned UNDP systems with leading industry standards, but implementation challenges affected Strategic Plan implementation. 128 Quantum introduced a system with higher security and flexible configurations to meet operational needs, but the shift from the heavily customized Atlas system was not effectively managed, leading to a loss in flexibility and resistance from staff and partners. The Quantum roll-out offered a chance to realign processes, boost efficiency and enhance compliance, but inadequate planning for process re-engineering, personnel training, and communication hindered these benefits. Delays to the 2022 launch did not fully mitigate transition risks, and the dual operation of Atlas and Quantum increased workloads and error risks, leading to payment processing

delays and strained workflows. Interviews revealed that payroll had to run in parallel and was reactivated in Atlas due to calculation errors in Quantum.

The underutilization of Quantum's automation capabilities limited efficiency gains, particularly in high-volume functions like finance. Added clearance steps in workflows, such as for human resource management, created process inefficiencies. Insufficient onboarding support for personnel unfamiliar with ERP systems led to challenges, contributing to change fatigue and slowing system integration. These issues hindered the timely and effective implementation of the Strategic Plan, underscoring the need for better training, support, and optimization of Quantum's functions.

^{126 —} In 2021, contributions from government financing reached \$1.3 billion, a 15 per cent increase from \$1.1 billion in 2020. Source: DP/2022/28.

^{127 —} The 2021 MOPAN assessment of UNDP found: "The workforce includes only about 13 percent of international professionals and above positions, typically associated with policy advisor profiles."

^{128 —} ITM Highlights: 2022 Year in Review, 10 March 2023.

FINDING 20

Human resources - The introduction of PSA contracts marked a positive significant change in human resources. These measures aimed to enhance UNDP capacity to deliver on the Strategic Plan, with contracts for short term, limited duration services. However, their use being extended to staff positions, instead of short-term posts, led to challenges including perceived inequities, the retention of talent and inadequate career development opportunities.

UNDP restructuring efforts aimed to promote change with minimal disruptions to programming but had mixed results. Guided by the 2022 Workforce Management and Organizational Restructuring Policy, UNDP initiated internal restructuring during the previous Strategic Plan, successfully transitioning UNDS coordination to the Deputy Secretary-General and DCO and adapting the GPN to regional needs, providing access to external expertise through partnerships and contracting. While restructuring sought to bring support closer to the country level, it inadvertently increased headquarters staff numbers by 18 percent since 2018, raising concerns about alignment with the UNDP field-focused model, where 80 percent of personnel were to be based in country offices.

FIGURE 7
Restructuring increased the staff headcount at HQ by 18% since 2018



The introduction of PSA contracts enhanced filexibility, bringing fresh skills and new thinking to the organization, but created challenges in retention and project continuity, and perceptions of inequity. The National PSA was introduced to replace short-term Service Contracts, tailored to the United Nations Salary Scale and with improved benefits, while the International PSA was designed to complement the Individual Contract modality, to address short-term technical needs and align with UNDP reliance on non-core funding. By 2024, PSA holders outnumbered staff globally, with 11,747 PSA contracts compared to 7,195 staff positions.¹²⁹ The implementation of PSAs inadvertently promoted the perception of a twotier system, as holders often work in similar roles to regular staff for extended periods, frequently receiving multiple contract extensions with disparities in salary and career progression opportunities. PSAs frequently occupy roles critical to the success of UNDP projects, programmes, and operations, raising significant concerns about retention and the long-term sustainability of institutional capacity. Retention challenges were particularly pronounced in MICs like Ukraine, Namibia, Kyrgyzstan and the Dominican Republic, where competitive job markets made it difficult to retain specialized PSA holders. The International PSA modality, offering higher remuneration and hybrid work arrangements, showed better retention outcomes, but highlighted the ongoing challenge of balancing flexibility with equity and long-term effectiveness.

UNDP reinforced talent and career development measures, but still faced challenges in ensuring long-term retention. UNDP implemented several initiatives to enhance talent and career development, such as

^{128 —} ITM Highlights: 2022 Year in Review, 10 March 2023.

^{129 —} UNDP, Office of Human Resources, Bureau for Management Services.

mentoring, the mobility policy, learning and development programmes, rank in post, the publication of posts internally first, the internal talent marketplace and a renewed focus on performance appraisals. In 2024, the introduction of a Talent Review System aimed to better align staff performance and potential. However, early assessments indicated the need for adjustment, given uncertainties about the system's effectiveness in systematically managing talent and addressing underperformance. The evaluation uncovered concerns that it was unable to fully investigate, including limited resources to support professional development, alongside trends in attrition, external recruitment for higher grades, and an increasing reliance on project-aligned human resources - all of which suggested challenges in establishing long-term career paths within the organization. These issues risked diminishing institutional capacity, which could impact the ability of UNDP to effectively deliver on the Strategic Plan.

UNDP had committed to better integrate DEI principles in its human resources, with a stronger stance on antiracism, with mixed results. UNDP advanced gender parity among its personnel, but faced challenges in retaining women, especially at middle management levels. Through its multi-year DEI strategy, partly inspired by increased global attention to racial injustice, UNDP emphasized recruiting talent from the global South, including first-generation graduates and persons with disabilities. Initiatives such as the African Young Women Leaders Fellowship and the UNDP-United Nations Volunteers Talent Programme increased participation from underrepresented groups. Geographic diversity remained skewed, with nearly half of senior positions (D1 and above) held by staff from donor countries. Representation from African countries improved, constituting 27 percent of personnel at P5, P6, and P3 levels, but progress across other global South regions was limited.

UNDP faced challenges in communicating and integrating DEI policies, leading to slow adoption and inefficiencies. The DEI Strategy extended beyond representation to encompass workplace culture and

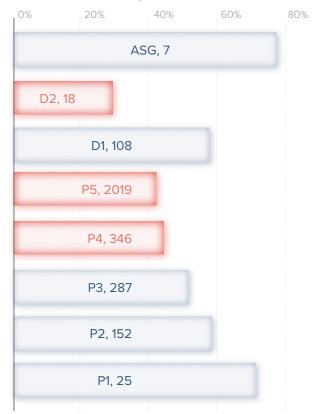
inclusivity, with 'Speak Up Culture; - the flagship UNDP anti-racism programme - a key initiative to foster a more inclusive work environment. In April 2024, BPPS adopted the Anti-Racism in Programming and Partnerships Action Plan, though too early to be assessed. While most employees supported DEI initiatives, some perceived them as responses to external pressures rather than a genuine organizational commitment. Anti-racism efforts were fragmented and insufficiently integrated with broader DEI strategies, limiting alignment of DEI principles with institutional and human resource strategies. To demonstrate continued commitment, and enhance visibility and accountability, UNDP established a DEI Committee to support the acceleration of DEI initiatives, including those related to anti-racism. UNDP also played a leading role in interagency mechanisms, particularly within the High-Level Committee on Management Working Group on DEI, where it contributed to the development of the United Nations System-wide DEI Vision and Principles.

UNDP maintained gender parity among its personnel at aggregated level. UNDP achieved overall gender parity, and parity in senior management representation, with seven of nine Assistant Secretary Generals being women, though there was a higher attrition rate among middle-level women professionals, particularly at the P4 level. Challenges in balancing family responsibilities and work contributed to fewer career growth opportunities.¹³⁰ Women occupy 45 percent of senior roles in the National Officer category, reflecting persistent gaps in gender representation across levels, challenges consistently compounded in different operational contexts, particularly crisis and fragile settings. These challenges persisted despite UNDP actively implementing its 2023–2025 Gender Parity Strategy, which articulates a holistic approach, going beyond representation to focus on fostering a gender-inclusive workplace through policies and guidance aimed at creating family-friendly work environments, promoting gender inclusivity, and ensuring accountability.

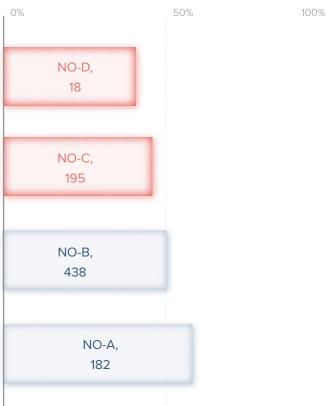
^{130 —} Intra-agency agreements within the United Nations that were introduced for mutual spouse employment in the mid-1990s were largely found to be unworkable for a variety of reasons and had to be abandoned.

FIGURE 8
UNDP reached gender parity across most professional levels, with a gap for senior professionals

Female International professionals







Source: Office of Human Resources, UNDP

FINDING 21

Impact measurement - UNDP struggles to measure and report on its impact, in large part due to its complex, multidimensional human development goals, its short strategic planning cycles, and the difficulty of attributing long-term societal changes in multi-partner initiatives. Efforts under the Strategic Plan laid the groundwork, including the ongoing revision of the results-based management (RBM) strategy and improvements to data systems. Systemic barriers persist, however, including fragmented results and resources frameworks, weak culture and systems to facilitate impact measurement, resource gaps, and reliance on anecdotal evidence. As a result, there was limited or inconsistent integration of impact evaluation into programme design and monitoring, reducing the ability of UNDP to effectively demonstrate measurable impact.

Impact measurement has been challenging for UNDP, given its development work and integration approach, for which it is not easy to measure impact over short periods of time, but important groundwork was laid. Multiple issues have challenged impact measurement for decades. For UNDP, these include the multidimensional nature of its goals, the diverse scope and scale of its

programmes, difficulties in aligning national impact data collection with the period of the Strategic Plan, reliance on qualitative outcomes (quality of services, capacity, etc.), and the difficulty of attributing long-term societal changes to initiatives involving multiple partners with varying capabilities at different levels of the results chain. Several of these constraints were shared by other United Nations

entities, but the strong push by UNDP for integrated solutions posed an additional measurement challenge. During the current Strategic Plan, UNDP ramped up efforts to develop robust data systems, comprehensive monitoring frameworks, and RBM capacity through, for example, development of the (yet unreleased) RBM Hub to provide some building blocks to demonstrate measurable future impact and accountability.

The Strategic Plan sought to address longstanding limitations to RBM highlighted by the 2020 QCPR and the 2021 MOPAN report, and UNDP is revising its RBM strategy.¹³¹ By prioritizing the measurement of contributions to impact, over traditional output monitoring, the revised UNDP RBM strategy reflected a necessary evolution from donor-driven project-level data and decentralized results measurement, and should be applauded. However, its emphasis on "impactful stories and narratives", and reliance on anecdotal evidence and perception-based indicators, risked compromising the objectivity critical for credible monitoring and evaluation. Gaps in implementation tools, undefined funding sources and reliance on core funding further undermined the feasibility of the strategy, particularly as its scope extends beyond the lifespan of current projects and portfolios. The draft strategy also appeared detached from the human resource realities of UNDP country offices, where in most cases only part of one role was dedicated to monitoring and the management of evaluations. These limitations hindered the ability of UNDP to fully operationalize its vision for a "future-smart" organization and align its results framework with its strategic priorities.

The promotion of traditional experimental approaches and use of national impact data for quantitative indicators proved inaccurate to measure the impact of complex UNDP initiatives. National impact data were rarely aligned to the period of the Strategic Plan, and qualitative indicators and adequately planned impact evaluations provided better insights into the results of

long-term complex development initiatives.¹³² Impact evaluation goes beyond traditional experimental and quasi-experimental methods to focus on approaches that better capture contribution and broader development impacts, and are more appropriate for complex and multi-dimensional UNDP initiatives.¹³³ This would require UNDP to adequately plan and monitor for impact measurement and evaluation.

A cultural shift is needed within the organization to first integrate impact evaluations into programme design to ensure proper impact measurement and assessment. The majority of UNDP personnel understood the need to measure impact, and wanted to be given the tools to advance it in their work. However, systemic challenges continued to hinder UNDP from integrating impact measurement into programme design, limiting its regular use. Despite improvements, UNDP monitoring systems were not fully robust, gaps in human and financial resources persisted and there were no clear guidelines for indicators or metrics. Other issues complicated implementation of the RBM strategy and the ability to capitalize on this cultural shift, such as the decentralized structure and fragmented RBM systems, donor-driven and project-specific focus, limited technical capacity, lingering resistance to tracking long-term results, and the complexity of attributing results to UNDP in multi-actor contexts.

^{131 —} Resolution 75/233, December 21, 2020; UNDP MOPAN Secretariat (2021) MOPAN Assessment Report: 2020 Assessment Cycle.

^{133 -} As promoted by NONIE, the Network of Networks for Impact Evaluation comprised of: the OECD/ DAC Evaluation Network, UNEG, the

 $[\]label{thm:cooperation} \mbox{Evaluation Group, and the International Organization for Cooperation in Evaluation regional networks.}$

^{134 —} Interviews, regional hub focus groups and reviews of internal social media and communities of practice.

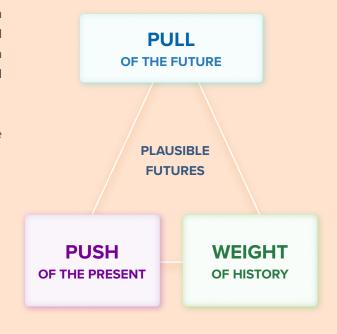


Conclusions, recommendations and management response

The conclusions and recommendations below were written considering the Framework of the Futures Triangle by Sohail Inayatullah [133]. Recommendations were developed with a focus on areas for potential growth or adjustment by UNDP, and based on plausible future-oriented strategies.

UNDP achievements under the Strategic Plan 2022-2025, were a function of the organization's ability to:

- Build on its legacy and track record (Weight of History);
- Reform elements of its programmes and operations to respond to contemporary pressures (Push of the Present); and
- Seize concrete future opportunities (Pull of the Future).



Over the period under review, UNDP capitalized on its established strengths and trusted partnerships to deliver development advice and on-the-ground interventions. These aimed to be in line with national priorities and global goals to contribute to transformative change. The long-term presence of UNDP in countries, and its understanding of different development contexts, were key contributing factors. The evaluation showed that UNDP did well in questioning and reflecting about its foundations, updating some systems and processes that were no longer fit for purpose, and building on its long-term strengths, including its vision of systems change.

UNDP delivered many results, sometimes doing more with fewer resources. It made notable strides in its three directions of change. The organization also broadened its thematic focus, transforming Strategic Enablers into flagship initiatives that positioned UNDP for the future.

However, this expansion came with challenges. For some stakeholders, it diluted focus, particularly in the crowded development space and tight financial landscape. Balancing diverse demands and needs — supporting governments with different development needs, providing administrative services to other United Nations agencies, meeting stakeholder expectations, and mobilizing resources to support all areas of work — further stretched its capacity. Furthermore, despite many achievements, UNDP frequently struggled to demonstrate impact and clearly communicate its contributions, which at times led to reactive engagement rather than clearly articulated strategic intent.

7.1 Conclusions

CONCLUSION 1

Strategic positioning - Supported by the flexible and integrated vision of the Strategic Plan, UNDP remained a vital partner for governments, strategically positioned to address complex development challenges and advance the collaborative advantages of the United Nations System.¹³⁵

Its broad global presence, trusted partnerships with governments and vertical funds, and distinct expertise in governance positioned UNDP as a key partner to drive transformative solutions to systemic challenges. UNDP leadership in integrating sustainable development, poverty reduction and governance expertise, and more recently sustainable development finance, highlighted its ability to address interconnected global priorities, aligning economic frameworks with human development and environmental sustainability. This role was exemplified by the longstanding commitment of UNDP to South-South and triangular cooperation, with UNDP country offices implementing nearly half of the projects funded through South-South trust funds managed by UNOSSC. By leveraging its convening power, UNDP continued to demonstrate its role as a catalyst for collaboration, fostering partnerships across themes and stakeholders

to promote cross-sectoral integrated development solutions. Its systems-oriented approaches allowed UNDP to address complex challenges, underscoring its relevance. In an increasingly polarized global landscape, where multilateralism faced growing pressures, SDG progress lagged, and resources were diverted towards humanitarian aid, UNDP strengths in governance, poverty reduction and inequality, environmental issues and crises resilience became even more essential. These capabilities, along with its partnership with United Nations Volunteers and UNCDF, reinforced the ability of UNDP to support different types of resilience measures, foster inclusive, green and digital structural transformation and advance systemic change, ensuring its continued role as a central actor in advancing the global development agenda.

Value proposition - Governance continued to be the most recognized and distinct UNDP strength. However, this value proposition became less clear due to increasing priorities and opportunities, which diluted the Strategic Plan focus on this core area. As a result, UNDP faced challenges in clearly defining its evolving role in governance, leaving stakeholders uncertain about how governance aligned with and supported the organisation's broader agenda.¹³⁶

Its broad governance expertise stood out as the most distinctive UNDP strength. With its global reach, access to and trust of governments and understanding of local contexts, UNDP developed solutions that were both relevant and scalable. While not always immediately apparent, it was also through the integration of governance into inclusive, green and digital transitions, as well as resilience-building efforts in health, climate action, disaster risk reduction, conflict resolution, stabilization, social cohesion and within the HDP nexus, that UNDP most effectively tackled the interconnected challenges of the SDGs. Beyond delivering services, UNDP convened stakeholders, influenced policy frameworks, and catalysed institutional reforms, strengthening capacities and fostering long-term sustainability. This ability to align governance with human development and environmental priorities through national, regional and global frameworks, while promoting cross-sector collaboration and systemsoriented approaches, reinforced the UNDP position of trusted leader in systemic reforms and governance innovation.

Challenges persisted in explaining governance as both a vertical and horizontal approach and as a central focus of UNDP work. The UNDP value proposition on governance, including climate governance, and health governance,

etc. was not sufficiently clear. UNDP efforts to expand its thematic reach as part of defining its future niche (e.g., towards development finance, digitalization) created perceived competing priorities and opportunities that sometimes diluted its emphasis on governance. Reliance on non-core funding constrained operations, influenced priorities, and limited the ability to establish long-term strategic direction. This ambiguity led to perceptions that the broad UNDP mandate overlapped with other United Nations agencies, complicating collaboration and obscuring the UNDP integrator function. The expansion into emerging thematic areas overshadowed UNDP strengths in delivering integrated governance solutions within its broader approach.

Additionally, a global context of declining trust in governments and multilateralism and rising polarization made it doubly difficult for UNDP to attract core funding. UNDP also faced difficulties in updating its governance strategies, in need of modernization to align with current realities, such as the ethics of AI, digital transformation, the global climate crisis, and evolving geopolitical dynamics. These limitations challenged the ability of UNDP to fully leverage its strengths in governance and systems change to meet the demands of Agenda 2030 and a changing global context.

Integration and systems-thinking - In its Strategic Plan design and implementation UNDP showed increasing commitment to integration and systems-thinking to advance the SDGs. However, it encountered significant challenges in operationalizing and embedding these approaches more broadly.¹³⁷

The broad mandate, global presence and trusted partnerships of UNDP positioned it as a leader in promoting integration and systems-thinking, key to advancing the SDGs. UNDP systems orientation effectively aligned diverse efforts to address interconnected global challenges, in response to the context, and the desire of donor and partner countries to address complex development challenges with modern approaches. The UNDP focus on integrating the Directions of Change across all development contexts demonstrated its improved ability to connect sectors, promote cross-disciplinary collaboration, and promote transformative change. Its ability to navigate the UNDS reform demonstrated its resilience and strategic value. As a key platform within the UNDS, UNDP played an integrator function, supporting countries in implementing the 2030 Agenda. In many instances, UNDP facilitated inter-agency and collaborative solutions to address multidimensional development challenges. This capacity to connect diverse stakeholders and operationalize complex strategies reinforced the pivotal capacity of UNDP to drive integration and systemic change in an increasingly interconnected development landscape.

Support to effective systems change was limited by a lack of understanding of the difference between integration and systems thinking, as these approaches were not always suitable to all contexts. Many initiatives, including Signature Solutions, inadvertently reinforced silos and fragmented funding, challenging integration. Gaps in technical expertise, funding models and stakeholder buyin further constrained the ability of UNDP to fully implement systems-oriented solutions. Misalignment of timing with countries and partners, and a preference by many partners for sectoral approaches, hindered integration frameworks and systemic approaches. Similarly, the UNDP integrator function with the UNDS was underutilized. Weaknesses in institutional tools, funding models and capacities, particularly at country level, further limited the capacity of UNDP to embed systems-thinking in a timely manner, or effectively drive cross-sectoral integration where most needed.

Financial constraints. - UNDP demonstrated flexibility and ingenuity in navigating financial constraints, leveraging existing funding mechanisms, though progress in diversifying funding sources was limited. The UNDP funding model continued to challenge its capacity to maintain strategic flexibility, implement integrated solutions, and promote systems-oriented transformative change.¹³⁸

UNDP effectively leveraged existing funding mechanisms to sustain critical development work in a challenging financial landscape. As a longstanding partner, it continued to implement significant contributions from sources like the Global Fund, GCF and GEF, demonstrating its trustworthiness, global relevance and capacity to address thematic challenges, including climate resilience and biodiversity conservation. Through efforts to diversify funding streams and strengthen partnerships with programme country governments, emerging donors and the private sector, UNDP continued to proactively attempt to mitigate the reliance on declining traditional core funding. These efforts enabled UNDP to maintain strategic relevance and partnerships to deliver development solutions across diverse contexts, despite an increasingly competitive financial environment.

Nevertheless, the existing UNDP funding model continued to undermine its ability to achieve the long-term, transformative goals outlined in its Strategic Plan. The decline in core funding, which stagnated at around 11 percent of total resources, and increasing reliance on earmarked, non-core funding, constrained the strategic flexibility and autonomy of UNDP, weakening its ability to implement integrated and systemic solutions essential for sustainable development. The absence of a clear link between resource allocation and strategic programmatic results, combined with outdated funding allocation criteria – based on income and population metrics instead of human development indicators, for example – further constrained efforts to combat inequality and inequities, particularly in MICs.

Structural transformation - Efforts towards structural transformation – guided by the integrated UNDP approach to inclusive, green and digital transitions – led to many positive results for people and planet, while advancing integrated solutions and reinforcing the UNDP core mandate.¹³⁹

The inclusion of structural transformation in the Strategic Plan as a Direction of Change for all development contexts marked a critical evolution in the UNDP framework, allowing the organisation to address interconnected global challenges through a more unified and multidimensional integrated approach. The evaluation observed the following key results achieved by UNDP for people and planet: shaping more inclusive policies; supporting MSMEs; creating jobs for people from marginalized groups (inclusive transitions); integration of biodiversity conservation; expanded access to just energy transition; advancement of climate security agreements; promotion of inclusive nature-based solutions to support marginalized communities (green transitions); expanded access to digital services; and improved government functions, healthcare and economic opportunities for more inclusive digital economies (digital transitions).

The COVID-19 pandemic highlighted the need for integrated solutions, demonstrating the capacity of UNDP to address immediate crises while promoting environmental sustainability, economic growth and social equity. Through its Strategic Plan, UNDP enabled countries to adopt innovative approaches that aligned with the SDGs, leveraging its global presence, technical expertise and operational flexibility. While efforts were most often limited to integration across two sectors, rather than fully systemic approaches, this strategic focus on structural transformation increasingly incorporated theories of change, sense-making and other approaches, improving understanding of the root causes of development challenges and seizing opportunities for inclusive, green and digital transitions.

Building resilience - UNDP leveraged its global presence and unique position within the HDP nexus to bridge immediate crises and stability. This was enabled by a focus on long-term inclusivity, social cohesion and sustainability while also advancing health and climate resilience at local, regional and global levels.¹⁴⁰

UNDP resilience-building efforts demonstrated its strategic value in addressing both national crises and complex global challenges by leveraging its operational flexibility, governance expertise, global reach and leadership in sustainable finance. UNDP connected local stabilization efforts with the broader HDP nexus and long-term development in crisis settings, addressing immediate needs while fostering trust, inclusivity and social cohesion – distinguishing it from specialized humanitarian or peacebuilding agencies. UNDP ability to "stay-and-deliver" in crises, even in the most challenging contexts, underscored its critical role in sustaining development where others retreated. UNDP initiatives extended beyond subnational and national contexts, encompassing regional agendas to promote social cohesion and mitigate conflicts, and connections to global for athat advanced sustainable finance to address the climate crisis and progress towards the SDGs. UNDP

integration of resilience with climate goals, renewable energy and inclusive development showcased its systems-thinking and unique convening power, thought leadership and ability to bridge immediate crises with long-term sustainability efforts. Its capacity to foster multi-stakeholder collaboration and leverage innovative financing reinforced its thought leadership in advancing resilience on a global scale. Within this framework, its health and GF portfolio in crisis and complex settings played a particular key role in bridging immediate health-related crises, further reinforcing the HDP nexus.

LNOB - Elevating LNOB to a Direction of Change signalled a strong organizational commitment, fostering a culture change towards more inclusive programming. However, momentum waned over time, due to unclear accountability for LNOB leadership and insufficient integration of intersectionality into programmatic approaches.¹⁴¹

The commitment of UNDP to reaching left behind populations was central to its efforts towards poverty eradication, reducing inequalities, and ensuring inclusive access to essential services, including in crisis settings. Through its upstream work, UNDP advanced equal rights and development benefits for all by leveraging its contextualized, data-driven approach to help governments identify those left behind. However, translating this commitment into equity-focused programming for Reaching the Furthest Behind First (RFBF), part of the LNOB principles, yielded more disappointing results, with the strongest results found in long-standing areas of UNDP engagement, such as health and access to justice. While progress was made in improving service accessibility and

scaling efforts, systemic barriers to 'reaching the last mile' – including discrimination, entrenched cultural norms, and power imbalances – were insufficiently addressed. These efforts often lacked robust partnerships with civil society, or substantial resources to generate more sustainable results. While UNDP made important strides in conceptual clarity around LNOB, including better understanding of the relevance and application of intersectionality, operational guidance to support programmes on the ground was insufficient. Additionally, unclear accountability for leadership and guidance for LNOB/ RFBF within UNDP undermined implementation, leading to loss of momentum.

Enablers - The UNDP Strategic Enablers, along with investments on futures and foresight, accelerated progress towards the Directions of Change and helped to nurture a futures-thinking and learning-oriented culture. However, the reach of the Enablers was restricted due to limited capabilities, understanding and resources, and cost-recovery challenges which affected the ability of UNDP to deploy technical advice in support of some country offices and partners.¹⁴²

The Strategic Enablers of the Strategic Plan advanced the ability of UNDP to address complex, multidimensional development challenges by integrating into its operations elements of experimentation, innovation, systemsthinking, horizon scanning, digital tools and sustainable finance. These initiatives fostered a futures-thinking and learning-oriented culture, advanced global policy discussions and strengthened national capabilities to respond to challenges such as climate change and digital inequality. Through leadership in sustainable finance, UNDP established itself as a trusted partner in advancing the SDGs, leveraging its global presence and convening power to develop impactful solutions for public finance. Sustainable finance and digitalization efforts proved promising in fostering new approaches to country support, bolstered by seed funding and strong leadership commitment. While still evolving, investment in innovations through the Accelerator Labs and beyond, and in staff expertise in systems-thinking, futures and foresight, further enabled the Directions of Change.

The Strategic Enablers faced notable operational challenges which constrained their scalability and sustainability, including fragmented funding, inadequate resources, and a lack of specialist expertise. Initiatives like the Accelerator Labs struggled with inconsistent integration into broader programming structures and lack of clarity on funding for their sustainability. Disparities in the deployment of support, particularly in low-income and fragile States, limited equitable application of the Enablers. Embedding the vision of these Enablers within the highly decentralized structure of UNDP progressed more slowly than anticipated due to cost recovery challenges and insufficient capabilities to address the stimulated and growing demands at country level, especially for advanced sustainable finance support.

Organizational efficiency and effectiveness - The UNDP Strategic Plan introduced significant operational changes to enhance organizational efficiency and effectiveness, and sustain the organization as a responsive partner to countries and the United Nations system. Challenges persisted, including delays in integrating the Quantum ERP system, prolonged recruitment processes, inefficiencies with clustering of services, and the use of short-term PSA contracts for longer-term needs, leading to perceived inequities. Additional constraints were fragmented cost recovery mechanisms and limitations in the business model.¹⁴³

Initiatives such as the transition to the Quantum ERP system, service clustering and centralized cost recovery reflected efforts to modernize operations in line with business standards, to standardize processes, improve compliance, and enable data-driven decision-making. Quantum advanced risk management and operational optimization, while service clustering reduced payroll costs, benefiting UNDP and its partner agencies. The COVID-19 pandemic further showcased the agility of UNDP, with centralized procurement processes ensuring timely and cost-effective delivery of essential supplies. DEI initiatives promoted gender parity, and to a lesser extent geographic diversity, while new PSA contracts increased workforce flexibility, demonstrating the adaptability of UNDP to evolving global demands.

These efforts were not without challenges. Delays in the integration of Quantum, issues with the use of PSA contracts, and fragmented cost recovery mechanisms constrained the ability of UNDP to fully align resources with Strategic Plan objectives. The underfunding of critical service units, including the GSSC, affected operational responsiveness. Additionally, UNDP efforts to balance the centralization of operational services with the specific needs of country offices revealed significant and enduring tensions between efficiency gains, timeliness of services and flexibility. Despite hurdles, the UNDP commitment to continuous improvement and adaptability was evident, also exemplified by its ongoing BMR.

Impact measurement - Ongoing efforts to refine the UNDP RBM Strategy demonstrated its commitment to enhance impact measurement and align efforts towards the SDGs and global priorities. However, fragmented approaches to results tracking and performance data management hampered the ability of UNDP to demonstrate impact results. Without adequate impact measurement, it remains unclear which initiatives are best driving progress in UNDP and which require recalibration, limiting the organization's capacity for informed decision-making and continuous improvement.¹⁴⁴

UNDP is refining its RBM Strategy, emphasizing impact measurement and promoting integrated solutions through a portfolio approach. This marked a critical shift from traditional output monitoring, to capture contributions to broader development outcomes and aligning the monitoring framework with impact. The draft RBM Strategy reflected UNDP commitment to adapt to the complexities of multidimensional development goals and advance a "future-smart" organizational vision.

The operationalization of RBM and impact measurement efforts continued to be limited, however, by capacity and resources, fragmented monitoring systems and a reliance on anecdotal evidence rather than robust data. This undermined the credibility of reported UNDP results and impact. These efforts were complicated by the

multidimensional nature of UNDP goals, the qualitative focus of many outcomes, and the difficulty of attributing long-term societal changes to initiatives involving multiple partners. Additionally, the draft RBM Strategy was detached from the resource realities of country offices and programme design was not sufficiently aligned to adequately measure impact, constraining its ability to offer more practical approaches to credible impact measurement. Achieving impact requires long term investment, and the four-year duration of UNDP strategic plans make it challenging to advance more comprehensive impact measurement through rigorous data collection and analysis of long-term outcomes.

7.2 Recommendations

RECOMMENDATION 1

Elevate human development through governance, as the UNDP catalyst for systemic change and a central organizational contribution to the United Nations Development System.¹⁴⁵

UNDP needs to clarify and simplify the articulation of its value proposition. It should reposition itself within the multilateral system as an ecosystem catalyst, leveraging governance with human development, poverty and inequality as its core comparative and collaborative advantage to address complex, intersectional development challenges. Governance should be elevated from a Signature Solution to a foundational pillar, aligned to human development, to drive all thematic areas in which UNDP has key strengths such as poverty reduction

and leaving no one behind, environmental sustainability and development in crisis. This repositioning will require UNDP to evolve its understanding of governance and shift its offerings to keep pace with dynamic contexts and contemporary challenges, adapting to political resistance and funding constraints and providing strategic thought leadership that aligns with current realities. Governance in this broader sense – and in support of safeguarding the planet and reducing inequalities - should be institutionalized as a central pathway for systemic change and a core component of the UNDP value proposition. This would hold for all areas of work, and as a stabilizing force for prevention and support during crises by strengthening the role of UNDP to foster longterm social cohesion within the HDP nexus. Additionally, it will be key to reinforce UNDP leadership in governing sustainable finance to address the global climate crisis, and in managing technological risks and opportunities.

RECOMMENDATION 2

Continue to enhance systems-thinking and integration capabilities across UNDP, including with streamlined and practical approaches as appropriate, supported by adequate allocated human and financial resources, as well as tools, mechanisms and good practices¹⁴⁶

UNDP should strengthen its systems-thinking capabilities but consider adopting streamlined and practical approaches to enhance understanding, funding and buy-in from partners. Development is inherently political, and it requires time, resources and strong partner buy-

in to shift from sectoral approaches to systemic change. Systems-thinking offers value, but not all support to partners can or should fully rely on systems or integrated approaches. A realistic strategy involves clarifying when to prioritize systems-thinking efforts where it can deliver the greatest impact, considering existing resources, partner buy-in and capacity constraints. UNDP should adopt a context-sensitive approach to systems-thinking that aligns with the diverse capacities and priorities of its partners and country offices. This approach requires clear and robust support through appropriate human and financial resources, tools, mechanisms, and good tested practices, to allow UNDP to strategically navigate political constraints when leveraging systems-thinking, to achieve meaningful development outcomes without overextending its capacity.

Strengthen the UNDP business model by clarifying its value proposition and aligning resources with strategic priorities.¹⁴⁷

The current UNDP funding structure and business model limits its ability to fulfil its strategic ambitions. UNDP should integrate its business model with a clearer value proposition, emphasizing strengths such as global presence, governance expertise, systemsoriented solutions and operational services. These are the key attributes that distinguish UNDP as a leader in addressing complex, multidimensional development challenges. To support this effort, UNDP should refine its resource mobilization strategy to better align funding efforts with its core strengths and strategic priorities, ensuring that contributions directly support systemic and transformative outcomes. This shift requires moving from simply showcasing achievements to building a compelling case for impact, thereby enhancing donor confidence and investment. Updating resource allocation formulas is equally essential to achieve strategic distribution of resources, particularly in contexts marked by multidimensional poverty and inequality. UNDP should work with the Executive Board to update these formulas ensuring core areas of work are adequately protected and resource fragmentation is minimized.

Additionally, UNDP should engage more countries in contributing core funding and monitor emerging donor trends and geopolitical shifts to inform future resource mobilization efforts and strengthen financial resilience. While the "bilateralization" of aid is beyond the control of UNDP, it can provide corporate guidance and incentives to country offices to reduce reliance on short-term funding and delivery quotas. Country offices and partners should be empowered to align resources with their theories of change and programmatic priorities. Where non-core funding is necessary, UNDP should expand funding windows for flexible earmarking and support integrated, systemic solutions aligned with its Strategic Plan. Moreover, there is an opportunity to increase participation in managing national funds with developing countries. To capitalize on these opportunities, UNDP must deliver strong financial performance alongside high-quality technical assistance aligned with national development priorities to achieve sustainable, lasting impact.

RECOMMENDATION 4

Enhance the ability of UNDP to support countries in leveraging sustainable development finance, including private capital, to overcome barriers that slow and prevent the achievement of the SDGs.¹⁴⁸

To accelerate progress towards the SDGs, UNDP should enhance its capabilities on sustainable development finance, particularly at country level, equipping staff with the expertise needed to help countries effectively leverage and align resources towards the "\$1 trillion moonshot". This will require further rationalizing the diversity of UNDP offers, approaches and tools on finance supported by clear theories of change for how stakeholders are contributing to the goal of mobilizing more resources for the SDGs. It is, however, essential to recognize that real impact goes

^{148 —} Connected to conclusions 1, 2, 3 and 11.

beyond mobilizing resources: addressing deep-rooted challenges and driving meaningful change requires not only financial resources but also strong governance, effective incentives and strategic disincentives with policy support and its enforcement. Capacity-building and institutional strengthening initiatives should be prioritized across all regions, to strengthen domestic resource mobilization, align tax policies with SDG priorities, and

support SDG-focused budgeting. In this way, UNDP can empower countries to generate and allocate resources more effectively for sustainable development. Recognizing the unique financing constraints of LDCs and SIDS, UNDP should establish tailored support systems, to provide targeted assistance and foster cross-regional, South-South and triangular collaboration and knowledge-sharing.

RECOMMENDATION 5

Leverage the broad mandate and global presence of UNDP to elevate regional and global thought leadership on structural transformation and resilience-building, with a focus on transnational challenges.¹⁴⁹

By leveraging its broad mandate and global presence, UNDP can further legitimize its role in "development in crises" and the HDP nexus, strengthening structural transformation and resilience for human development. This approach should prioritize effective governance to foster regional social cohesion, and address interconnected challenges such as climate resilience, digital security and pandemic risk. Integrating governance with inclusive, green and digital transitions is essential to tackling crises within the HDP nexus and responding to regional and global priorities, including migration and social cohesion.

This integrated focus will strengthen UNDP positioning as a leader in sustainable finance for resilience-building, enabling the organization to expand its impact beyond local crises and address transnational challenges. Furthermore, getting ahead of risk will require enhanced integration with governance and alignment with regional and global capacities, reinforcing the UNDP niche in advancing human development through coordinated and systemic approaches.

To enable integrated solutions for long-term structural transformation and resilience, UNDP must address a key barrier: fragmented funding, caused by unclear guidance on implementing systems change. Resources should be focused on areas where UNDP delivers the most value, promoting innovation through integrated solutions while avoiding the dispersion of efforts across activities. Clear resource management practices are essential to prevent fragmentation and reduce competition between teams with different thematic expertise, such as governance and climate experts working on resilience, or poverty and digital inclusion experts working on LNOB portfolios.

Establish clear accountability mechanisms, dedicated budgets, and embed LNOB within UNDP governance structures, while strengthening UNDP capabilities for addressing intersectionality.¹⁵⁰

UNDP should revitalize and consolidate its approach to the principle of LNOB by developing a clear roadmap that advances beyond mainstreaming to address intersectional vulnerabilities and systemic barriers such as cultural norms and power imbalances. This should include a stronger institutional architecture, with clear accountabilities and firm commitment to addressing discrimination. The emphasis should shift to long-term

structural transformation, ensuring the sustainability of efforts aimed at marginalized groups, while reinforcing the link between LNOB/RFBF and governance, defining realistic strategic goals for RFBF and building stronger partnerships for more meaningful, lasting results.

Formal accountability mechanisms, including clear budgets and workplans, should make LNOB a measurable and ongoing priority across offices. As part of the roadmap, UNDP should refine its approach to inclusive governance and social protection systems, focusing on addressing the root causes of marginalization. By continuously measuring progress and adapting strategies, UNDP should ensure that LNOB remains central to its current and future development agenda.

RECOMMENDATION 7

Strengthen the Strategic Enablers as mechanisms for accelerating development, focusing on areas that offer greatest potential for development gains and learning for systems change.¹⁵¹

UNDP should enhance the Strategic Enablers as crosscutting tools, institutionalizing their integration into programmes and fostering learning that emphasizes adaptive, systemic solutions for sustainable development. UNDP should clearly articulate how each Enabler can accelerate development and environmental outcomes in specific contexts. This will help programmes to focus on identifying actionable steps for implementation and results, with a clearer understanding of partner roles, motivations, incentives and realistic timeframes. Differentiated resource allocation or cost recovery models tailored to the distinct contexts of LDCs, SIDS and MICs must be considered, to ensure more equitable application of the Enablers across low-income, fragile and conflict-affected States. Enablers must be adapted to address foundational needs, recognizing that resource and capacity constraints in different countries may limit the immediate use of advanced systems and capacities. Strengthening partnerships to promote South-South and triangular cooperation, will further facilitate knowledge exchange and capacity-building across diverse contexts.

Implement an Integrated Operations
Strategy for the holistic improvement of organizational efficiency and effectiveness.¹⁵²

Building on the different tools and policies in place, UNDP should develop a comprehensive strategy to unify key initiatives – such as People for 2030, Digital, Clustering, the budgeting process, and revised cost recovery models – into an integrated operations excellence framework. This systemic approach, aligned with the vision of the Strategic Plan, must address the underlying causes of operational challenges to implementing cohesive integrated measures to enhance organizational efficiency and effectiveness.

Within this integrated framework, UNDP should continue to address inefficiencies across its operations, including refining persistent challenges in certain functions that have not been effectively centralized despite prolonged efforts. In these cases, exploring a more decentralized approach could enhance effectiveness and responsiveness.

Furthermore, fostering open and transparent communication about existing challenges, alongside clear plans to address them, will be key to strengthening internal trust and reinforcing the commitment of UNDP to continuous organizational learning and adaptability. UNDP should work on enhancing change management for the implementation of Quantum by streamlining workflows and improving communication to unify data and foster continuous improvement. Additionally, UNDP should refine the PSA contract modality, exploring other contracting options to best address the needs of offices and projects to balance flexibility. This should be accompanied by more systematically funding and strengthening talent management across the workforce, regardless of contract type, while ensuring gender and geographic diversity of staff.

Build a comprehensive impact measurement framework that informs strategic decisions and promotes continuous learning to accelerate the SDGs and advance human development.¹⁵³

UNDP should develop realistic and practical approaches to building rigorous impact measurement capability, providing clear guidance to measure systems change in select strategic areas. Strengthening this capability will enhance accountability and learning, while significantly improving the quality of communication, advocacy, and partner engagement though a clear demonstration of return on investment. This aligns with Recommendation 3, which calls for redefining the business model to ensure that funding supports high-impact objectives. Achieving this requires an impact measurement framework that balances learning and accountability, ensuring that insights inform strategic decisions, and optimizes resource allocation. Dedicated resources should be allocated to enhance internal capacities, and mechanisms established with clear roles and responsibilities across teams to promote the shift from anecdotal narratives to rigorous impact measurement and reporting methods. Enhancing the alignment between IEO evaluations and organizational decision-making is crucial for timely impact measurement, assessment, and reporting. To effectively integrate evaluation findings into resource

allocation, prioritization, and strategic planning, UNDP can strengthen RBM practices, ensuring that evidence-based insights drive both programme development and organizational learning.

Considering the nature of global development challenges, UNDP should collaborate with its Executive Board, to establish more frequent and transparent reporting on contributions and lessons learned. UNDP and the Executive Board should consider extending the Strategic Plan duration to 8–10 years, creating a framework better suited for impact reporting and evaluation. While the current approach is aligned with partner agencies, a longer timeframe would allow for an independent midterm review in year four or five and is more likely to provide sufficient data for impact measurement in the final evaluation to inform the subsequent Strategic Plan, and ensure time to develop a critical mass of data for meaningful impact analysis. Even if contexts change, which they often do, this approach will provide a better analysis of how UNDP has responded to changes in context.

7.3 Management Response

Recommendation 1. Elevate Human Development through Governance as the UNDP's catalyst for systemic change and a central organization contribution to the UN development system.

Management response: UNDP partially accepts this recommendation. The landscape of governance is rapidly evolving and the need for inclusive, effective, and accountable governance systems that can navigate complexity and drive long-term development impact is clear. Building on its decades of experience, global footprint, and trusted relationships with member states, UNDP will reinforce its thought leadership and work on governance delivery within the UN development system. As a convener and platform for integrated governance solutions, UNDP will work across sectors, and with UN and other partners to ensure governance remains central to tackling today's multidimensional challenges. While we acknowledge the critical role governance plays, it is important to emphasize that UNDP's approach to advancing human development is comprehensive and multidimensional. Our work spans several interconnected areas that are equally essential and contribute to human development: poverty eradication, environmental sustainability, clean energy access, crisis resilience, gender equality and women's empowerment. These integrated efforts collectively strengthen our impact on human development outcomes worldwide.

| Key action(s) | Completion date | Responsible unit(s) | Tracking | |
|---|-----------------|---------------------|----------|---------|
| | | | Comments | Status |
| 1.1 UNDP will establish and operationalize a functioning Governance, Rule of Law, and Peacebuilding (GRP) Hub, which will serve as a platform to consolidate governance expertise and thought leadership and ensure governance is understood as a fundamental enabler of development. The Hub will provide integrated governance support across thematic areas, strengthening UNDP's ability to respond to contemporary and future challenges. | Q2 2025 | BPPS and CB | | Ongoing |
| 1.2 UNDP will reflect its governance work in the draft Strategic Plan 2026-2029, to be considered by the Executive Board at the Second Regular Session, emphasizing the integration of nationally led efforts to promote inclusive, effective, and accountable governance as a driver of systemic change. Additionally, UNDP will support efforts to reflect this emphasis on governance in UNDP Country Programme Documents, ensuring alignment with national priorities and development contexts. | Q2 2025 | BPPS and CB | | Ongoing |

Recommendation 2. Continue to enhance systems thinking and integration capabilities across UNDP, including with streamlined and practical approaches as appropriate, supported by adequate and allocated human and financial resources, as well as tools, mechanisms, and good practices.

Management response: UNDP fully agrees with the recommendation. A critical learning from implementation of the current strategic plan is growing incoherence between the scale and scope of development issues with the siloed, fragmented and short-term approaches that continue to inform much of public and development sector's work. This incoherence is perpetuating existing and generating new risks, undermining human development gains. Investment in foundational capabilities, but also systems, structures, conditions, and data that enable more system-oriented ways of working is a critical response to a fast changing and growingly uncertain context.

| Key action(s) | Completion date | Responsible unit(s) | Tracking |
|---|-----------------|---------------------|-----------------|
| | | | Comments Status |
| 2.1 UNDP will advance the SDG Push offer as a means of embedding systems thinking into development planning and implementation. Through the CCA and UNSDCF strategic processes, UNDP will provide dedicated support to UNCTs, enabling a more integrated approach to addressing complex development challenges. New features include advanced analytics and insights on development accelerators, designed to identify and leverage systemic interconnections across the SDGs. These efforts will be further reinforced through NDC 3.0 commitments, aligning climate and development priorities to drive catalytic investments and transformational change. | Q4 2025 | BPPS | Ongoing |
| 2.2 UNDP will expand the work of the Integrated Policy Practitioners Network, currently co-led with 10 UN entities, connecting a membership of 10,000 experts and initiating (Jan 2025) a collaboration with Joint SDG Fund (through end 2026) to deploy integrated capabilities to UNCTs for more impactful Joint SDG Fund programmes that advance key SDG transitions. | Q4 2026 | BPPS | Ongoing |
| 2.3 UNDP will invest in deploying existing and designing new suite of programs aimed at building capabilities for systemic development work. These will target both government and development partners as well as UNDP staff. | Q4 2026 | BPPS | Ongoing |

Recommendation 3. Strengthen UNDP's business model by clarifying its value proposition and aligning resources with strategic priorities.

Management response: UNDP fully agrees with the recommendations. In response to the evolving development landscape, in 2024 UNDP has undertaken a review of its business model as an independent diagnostic analysis to assess how it creates, finances, and delivers value to its partners. The efficiencies, effectiveness, and financial sustainability of its operations.

Key outcomes of the business model review (BMR) include a clear, concise definition of the UNDP business model: "the way in which UNDP creates, finances, and delivers value", and a set of comprehensive insights and recommendations for the three components of the business model. The findings of the review were presented to Member States in December 2024. A Business Model Review Action Plan, approved in February 2025, includes targeted actions to enhance its strategic positioning, address challenges, and seize future opportunities.

| Key action(s) | Completion date | Responsible unit(s) | Track | ing |
|--|-----------------|---------------------|----------|--------|
| | | | Comments | Status |
| 3.1 Revisit and enhance existing corporate Resource Mobilization strategy to increase core/ flexible funding in the current context. | Q3 2025 | BERA | | |
| 3.2 Build a compelling case for impact and enhance donor confidence and investment. | Q2 2025 | BERA | | |
| 3.3 In close consultation with the executive board, initiate development of a roadmap for the review TRAC allocation methodology. | Q4 2025 | BMS | | |

Recommendation 4. Enhance the ability of UNDP to support countries in leveraging sustainable development finance, including private capital, to overcome barriers that slow and prevent the achievement of the SDGs.

Management response: UNDP fully agrees with this recommendation; hence the Sustainable Finance Hub (SFH) brought all different tools and resources together to mobilize and align public and private sector finance to achieve the Sustainable Development Goals (SDGs). Through innovative tools, partnerships, and frameworks, the SFH bridges the SDG financing gap, ensuring investments deliver measurable impact for people and the planet alongside financial returns. The SDG financing gap requires a transformation of global capital flows, ensuring they prioritize positive impact. The work on private finance mobilizes resources by identifying investment opportunities, aligning private sector strategies with the SDGs, and creating enabling environments for sustainable investments.

| Key action(s) | Completion date | Responsible unit(s) | Trac | king |
|--|-----------------|---------------------|----------|---------|
| | | | Comments | Status |
| 4.1 Strengthen regulatory frameworks and expand domestic and international financing to accelerate SDG investments and build resilient financial systems | Q2 2028 | BPPS | | Ongoing |
| 4.2 Align private sector investments and international financial systems with the SDGs to mobilize capital for sustainable development and low-carbon economies. | Q2 2028 | BPPS | | Ongoing |

Recommendation 5. Leverage UNDP's broad mandate and global presence to elevate regional and global thought leadership on structural transformation and resilience building with focus on transnational challenges.

Management response: UNDP accepts this recommendation. A systematic and collective approach to research, analytics and key publications will leverage UNDP's extensive knowledge and experience on global challenges. These efforts could be further expanded by combining the diligent use of AI technologies with stakeholder consultations, ensuring that knowledge products are grounded in national and local reality.

| Key action(s) | Completion date | Responsible unit(s) | Trac | king |
|--|---------------------|---------------------|---|------------------------------|
| | | | Comments | Status |
| 5.1 The Research, Analytics, Learning and Innovation (RALI) team was created in the Crisis Bureau to deliver thought leadership, decision intelligence, learning and innovation to position UNDP as an agile and future forward leader on reducing risks associated with structural transformations across the humanitarian, development and peace continuum. In 2025, the team will launch a multi-year research agenda (MYRA) with think tanks and academic institutions to support UNDP's work in complex settings. | 16 December 2024 | СВ | The RALI team was created further to the 2024 CB- BPPS review. MYRA | Completed Launched in 2025. |
| 5.2 A flagship report on" Development at risk: Embracing change and unleashing opportunity amid global crisis" is under development, led by Crisis Bureau in collaboration with Regional Bureaux, HDRO, UNCDF, UNOSSC and global experts. | 2 June 2025 | СВ | | Ongoing |

Recommendation 6. Establish clear accountability mechanisms, dedicated budgets, and embed LNOB within UNDP's governance structures, while strengthening UNDP capabilities for addressing intersectionality.

Management response: UNDP fully agrees with this recommendation. UNDP has elevated LNOB as a core direction of change in its Strategic Plan (2022-2025) and a key programmatic principle both for UNDP and UNSDG. The organization's approach integrates data-driven insights and intersectionality to identify and address structural inequalities and marginalization effectively. UNDP has advanced the use of inequality data and analytics to help national counterparts identify and address the needs of marginalized groups and evidence-based programming. It supports the design of equitable and inclusive programs, ensuring that vulnerable groups have better access to opportunities, basic services, social protection, employment & livelihoods, and decision-making participation.

| Key action(s) | Completion date | Responsible unit(s) | Tracking |
|---|-----------------|------------------------------|-----------------|
| | | | Comments Status |
| 6.1 The LNOB marker reviewed annually for better targeting an accountability framework of programming portfolio. | June 2025 | BPPS, Regional Bureaux | Ongoing |
| 6.2 Enhance capacities in data analytics and programming principles, advocate for the use of poverty and vulnerability measures as policy tools to accelerate poverty reduction in all its forms, disseminate LED models amongst programming countries to strengthen inclusion by targeting high-poverty areas, vulnerable workers, including informal workers, and marginalized communities. | June 2025 | BPPS, CB | Ongoing |
| 6.3 Provide technical guidance to programming countries to effectively mainstream LNOB into development plans at all levels (national, subnational, and local). | June 2025 | BPPS | Ongoing |

Recommendation 7. Strengthen the Strategic Enablers as mechanisms for accelerating development, focusing on areas that offer greatest potential for development gains and learning for systems change.

Management response: UNDP fully agrees with the recommendation and acknowledges the important role of Enablers in the current Strategic Plan as accelerators and agrees with this recommendation to focus them in a way that achieves the greatest potential for development gains and learning for systems change. UNDP also agrees with the need to take a differentiated approach toward LDCs, SIDS and MICs in terms of their diffusion across different contexts. The Finance and Digital enablers have demonstrated that they are not simply "tools". These areas do serve to enhance UNDP's work across various thematic programmes, but at the country level, the full potential for digital and finance is unlocked through a focused effort in support of whole of society, national digital transformation (in the case of digital) and through facilitating a national dialogue and planning process. These emerging practices highlight the need for a strategic approach that ensures their seamless integration into existing programmes while also allowing them to serve as the foundation for new programme offerings. UNDP therefore needs to ensure capabilities for both applications are in place in the organization. Finance Enabler is proving its ability to enhance UNDP's work across various thematic programmes. UNDP's portfolio of sustainable finance work is helping create more accountable, inclusive and effective finance systems at national and global levels, alongside enable transformations in thematic areas such as food and crisis. At global level, UNDP informs the reforms of international financial architecture to facilitate sustainable investments. At the country level, UNDP assists governments in enhancing regulations and policies to foster SDG-enabling finance. It supports the implementation of Integrated National Financing Strategies (INFSs), Nationally Determined Contributions (NDCs), and National Biodiversity Strategies and Action Plans (NBSAPs) at the local level. Additionally, UNDP facilitates the expansion of both domestic and international public investments for sustainable development, mobilizes private capital for the SDGs, aligns business and investment strategies with SDG objectives, and promotes holistic impact management among all stakeholders. The strategic innovation enabler has triggered system-oriented work across this organization and with partners in close to 100 countries, generating new investments, partnerships, a distinctive body of knowledge and institutionalized development practice in the form of a new instrument- portfolio policy. UNDP will leverage its system and portfolio work as the 'delivery infrastructure' for the next Strategic Plan. This is done in explicit recognition that while the demand for structural transformation is growing as the world experiences multiple, interlocking transitions, the question of how to manage them is less obvious. UNDP's approach to system transformation provides governments and development partners with alternatives to 'business as usual' in pursuing large societal transitions. Future deployment of this approach will be accompanied by corporate investment in capabilities and conditions to offer the greatest potential for development gains.

| Key action(s) | Completion date | Responsible unit(s) | Tracking | |
|--|-----------------|---------------------|----------|---------|
| | | | Comments | Status |
| 7.1. Ensure strategies for integration across thematic areas are in place in the future for digital, finance and innovation. | Q4 2025 | BPPS | | Ongoing |

| Key action(s) | Completion date | Responsible unit(s) | Trac | king |
|---|---|---------------------|----------|---------|
| | | | Comments | Status |
| 7.2 Create differentiated strategies for the application of digital, finance and innovation enablers across LDCs, SIDS and MICs. | Q4 2025 | BPPS | | Ongoing |
| 7.3 Develop digital platforms that provide financial services tailored to women's needs, ensuring accessible, inclusive, and sustainable economic opportunities through technology and finance in all financial systems and digital governance. | Q4 2025 | BPPS | | Ongoing |
| 7.4 Develop and deploy infrastructure for operationalizing the portfolio policy with accompanying investments in conditions and capabilities for UNDP and its partners. | Q4 2026 and throughout the new Strategic Plan | BPPS | | Ongoing |

Recommendation 8. Implement an Integrated Operations Strategy for the holistic improvement of organizational efficiency and effectiveness.

Management response: UNDP partially accepts this recommendation. UNDP is fully committed to continuously improving operational efficiency and effectiveness through a holistic and integrated approach and welcomes the substance of this recommendation. In practice, UNDP implements this approach through its integrated planning and operational frameworks, which continuously incorporate strategic operational improvements, leveraging best practices, digital transformation, and lessons learned to optimize organizational performance.

Rather than develop a separate and standalone Integrated Operations Strategy, UNDP will embed enhancements as recommended by this evaluation within its existing frameworks, and informed by the business model review, in order to ensure coherence with ongoing corporate processes and avoids redundancy. The organization remains committed to refining these processes in alignment with its corporate strategy, operational needs, and evolving development priorities.

Enhancing and streamlining existing mechanisms, rather than introducing an additional layer of strategy, allows UNDP to maintain agility, avoid duplication, and ensure that operational improvements are effectively institutionalized within the organization's planning and implementation cycles.

| Key action(s) | Completion date | Responsible unit(s) | Tracking | |
|---|-----------------|---------------------|----------|---------|
| | | | Comments | Status |
| 8.1 Implement Recommendations of the Business Model Review including those highlighted by the evaluation of the Strategic Plan 2022 – 2025. | Q4 2025 | BMS | | Ongoing |
| 8.2 Complete revision of PSA policy. | Q2 2026 | BMS | | Ongoing |
| 8.3 Implement the third phase of the People for 2030 strategy. | Q4 2026 | BMS | | Ongoing |

Recommendation 9. Recognizing that effective decision-making relies on credible impact evaluation, which requires robust and timely impact measurement, UNDP should allocate sufficient human and financial resources to build a comprehensive impact measurement framework. This framework should move beyond accountability, emphasizing continuous learning to accelerate the SDGs and advance human development. It should also foster a culture that values both success and failure as opportunities for effective decision making based on impact measurement, credible reporting and timely evaluation.

Management response: UNDP fully agrees with the recommendation on impact measurement and appreciates the evaluators' valuable insights, particularly the emphasis on evidence-based decision-making. The findings on impact measurement align closely with those of the Business Model Review.

Overall, guidelines on impact assessment and measurement are outlined in the new UNDP RBM Strategy. Additionally, the RBM Strategy, will further strengthen impact measurement approaches. This will include methodologies such as participatory narrative surveys, contribution analysis, and outcome harvesting, supported by a comprehensive impact measurement guideline. This guideline will complement IEO's specific guidance on impact evaluation, ensuring a more robust and systematic approach to measuring impact across UNDP programmes.

| Key action(s) | Completion date | Responsible unit(s) | Trac | king |
|--|-------------------------|---------------------|----------|---------|
| | | | Comments | Status |
| 9.1 Roll out the new RBM strategy focusing on impact measurement and launch the new RBM hub. | September 2025 | BPPS | | Ongoing |
| 9.2 Develop Impact guidelines. | 30 September 2025 | BPPS | | Ongoing |
| 9.3 Develop a new RBM online certification system for UNDP personnel. | 30 January 2026 | BPPS | | Ongoing |



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Annexes

Annexes to this report may be found on the UNDP Evaluation Resource Center at: https://erc.undp.org/evaluation/documents/detail/24384

Annex 1

TOR including glossary of concepts and definitions

Annex 2

Overall evaluation approach and methodology

Annex 3

Evidence Gap Map and Evidence Synthesis

Annex 4

UNDP Strategic Positioning 2020-2024 methodological note

Annex 5

Countries and parties consulted

Annex 6

Evaluation Matrix

Annex 7

IRRF 2023

Annex 8

Documents reviewed





EVALUATION OF THE UNDP STRATEGIC PLAN

2022 ← → 2025

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