**UNDP Management Response on CRDP External Evaluation**

**January 2015**

**Joint recommendations for all CRDP stakeholders:**

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| **Evaluation Recommendation 1: Complete rounds 2-3 with the proposed improvements and use the balance of funds to pilot a new comprehensive approach** | | |
| **Key Action(s)** | **Time Frame** | **Responsibility** |
| **Sustainability / Focus / Risk management (recommendations 1 and 2, pages 5 and 6):**  The UNDP believes that sustainability needs to be analyzed at different levels, both based on current targets as well as based on program results at the outcome level. As sustainability is critical, not only as part of a pilot phase but certainly for any further support to be provided to national strategies in Area C, UNDP is proposing the following:  For ongoing projects, and building on the sustainability criteria built into the selection criteria for the projects, field visits will be organized to monitor and further support implementing partners on the ground, on a project basis. These visits will be conducted and reported against by end March. On the operational front, reinforcing measurement of the sustainability of the interventions on the ground is obviously critical as this should be the appropriate way of measuring resilience building, both in the selection and monitoring of projects. In this regard, sustainability measures were already revisited after the selection of projects and before signing agreements. For example, the team has clarified how implementing partners will make sure that water networks, solar kits, mobile libraries and clinics will be operational and maintained after completion of works. Also, Ministry of Agriculture (MOA) committed to build on projects’ results in various ways, such as directing additional funds to capitalize on additional water resources. Further measures, linkages with other projects and future PA contribution will be discussed during the area committee meetings.  On the other hand, UNDP is of the view that, building on the experience of the pilot phase, a more precise and geographically based analysis of the determinants of resilience, enabling a more rigorous definition of the needed response should be produced. The effort, to be built essentially on a renewed analysis of available information and data, should primarily support the revision of which ones of these determinants the program ambitions to respond to, knowing CRDP is not the only intervention in Area C and others could be geared to complement, but also noting the potential through the program to consider Area C in conjunction with areas A and B.  Based on this analysis, and starting with East Jerusalem, UNDP is proposing to revisit the outcomes and outputs as well as the theory of change building on consideration to criticality of the investments and potentiality of the impact (somewhat similar to a best result for money approach), giving due consideration to other interventions and actors in Area C. This should allow to focus interventions and funds on the selected variables the program ambitions to target in each area and thematic sector. The proposal would include a revised results matrix for each of East Jerusalem and Area C, in addition to proposals for the utilization of other implementation modalities other than the call for proposals for the selection of interventions. It is UNDP’s opinion that this approach may be more adequate than the area based pilot initiative proposed by the evaluation.  Although the CRDP was designed as a high-risk program, the bulk of the program has been implemented with low negative return. Minor activities (less than 3%) faced risks since the launch of projects in Area C. Having said that, a risk management system is still a pending item. It is our view that regardless of the shape the program takes, its strategic potential might be better fulfilled through supporting the setup of a risk management system for Area C to support government tracking of interventions rather than a risk management system limited to the program. It is proposed for such a mechanism to be developed through the program, linked to existing interventions and partners. This will build on existing mechanisms, such as the HCT developed system for Area C. By the end of February, UNDP will develop a proposal that will be shared for review and decision-making. | End February  End March  Reporting on field visits and additional analysis being conducted by the team  By 20 February for Jerusalem  By end February for the entire program areas  End February  End February | UNDP  UNDP  UNDP  UNDP  UNDP |
| **Budget for contingency:**  Project budgets already include a contingency item (4%) that could be freed to respond to emergencies and risks. Additional reallocation among budget items could also be utilized, conditions of which were explained during a workshop with partners in December 2014. This will be further clarified with partners in the coming month. | On-going | UNDP |
| **Operational procedures (reduce disbursement tranches and bureaucratic requirements):**  UNDP is the development arm of the UN and as such expected by those entrusting it with funds to abide by certain standards in administrative and financial management. This in no way should be interpreted as lack of flexibility. In the specific case of the CRDP, and based on the content of the evaluation report, there is no doubt that the program has suffered from some inefficiencies that need to be addressed. UNDP is committed to fully addressing them, starting with making it clear from the documentation that the PMU is not an isolated entity with different sets of responsibilities as the evaluation implies was envisaged in the project document.  Various contractual modalities were already used so as to allow to accommodate both partner’s capacities and implementation requirements. Disbursement tranches were calculated intelligibly in line with a detailed and clear implementation plan. In relation to other bureaucratic requirements, e.g. work plan and reporting, one work plan is requested by PMU. PMU requested from partners to submit a monthly calendar of main events. PMU is currently engaged with partners and further explained the rationale for requesting the calendar of major events that could be visited by donors and PA officials. As for reporting, the template was developed to provide more information on gender, end beneficiaries, risks faced and mitigation measures, sustainability activities, networking, synergy with other projects (including building on humanitarian projects), impact, and additional needs by the community.  On the basis of the above, and notwithstanding progress hitherto accomplished, UNDP will organize a consultation meeting with all implementing partners in order to better assess and address the issues, building on its context specific intervention modes and actual needs. | March 2015 | UNDP |
| **Knowledge sharing:**  In addition to the regular meetings of partners and stakeholders operating in each of the geographical areas, several meetings will be organized with a focus on lessons learned and risk management. | - One meeting with EJ partners: in February 2015  - One meeting with Area C partners of the three rounds: in February 2015  - Monthly meetings with rounds 3 and 4 partners: starting in February 2015 | UNDP |
| **Evaluation Recommendation 2: Plan for a major meeting with PA, donors and implementers** | | |
| **Management Response:**  UNDP and MOPAD are currently preparing for such a meeting. UNDP also aims to convene a meeting with the PA and donors on Area C and East Jerusalem by 20 February. | | |
| **Evaluation Recommendation 3: Support the development of a second phase of a full-fledged high risk CRDP** | | |
| **Management Response:**  As a re-strategizing and re-focus of the CRDP is suggested above, the level of risk to be attached to interventions will need to be based on further discussion amongst partners. | | |
| **Evaluation Recommendation 4: Agree a process whereby ownership and leadership of the CRDP process is gradually handed over to the PA and other Palestinian institutions** | | |
| **Management Response:** UNDP believes the implementation of this recommendation is rather difficult at this stage, with regards to the operational management part of the issue. Indeed, and as the program was set up to address the lack of capacity of the PA to directly intervene in Jerusalem and / or Area C, and as the situation remains unchanged in this regard, it is unlikely for changes to be possible from an operational point of view.  However, this recommendation relates also to a critical aspect of the program, thought through from the start as a PA led mechanism, responding to nationally set strategies. National leadership and ownership are therefore key to the program and will require further engagement with the PA to improve actual oversight and strategic guidance mechanism for the program. UNDP will further discuss with national partners, in order to further build support to the national strategy for engagement in Area C recently validated. Such discussions should lead to visible progress on the issue by the end of March 2015. | | |

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| **Recommendations for UNDP:** | **Time Frame** | **Responsibility** |
| **1. Organize a special meeting of the RB/SB to discuss the recommendations of the evaluation and their implications for the present and future work of CRDP.**  **Management response**: UNDP and MOPAD will hold a Steering Committee meeting after preparing the plan of action of CRDP for the coming phase in conjunction with the recommendations of the evaluation. | March 2015 | MOPAD and UNDP |
| **2.** **Continue to address the already identified knowledge and experience gaps of the PMU in the areas of technical support, UNDP procedures, contracting modalities, civil society competencies which UNDP is well placed to manage through training and mentoring arrangements.**  **Management response**: As part of its new program cycle, UNDP will further improve synergies between its interventions. At the same time, it is anticipated that the currently discussed strategic framework of cooperation between UNDP and Sweden will provide additional opportunities for further capacity.  In addition, specific procurement related support and training will be provided to the team | February | UNDP |
| **4. Redefine the project outputs along the five new themes, including knowledge management**  **Management response:**  See program re-focus responses above. | February 2015 | UNDP |
| **5. Review grant templates and operational procedures for modifications needed to implement the recommendations approved. In particular:**  a. modify the Call for Proposals (CFP) document to include separate criteria for sustainability as part of the evaluation criteria, and/ or spell out in detail the factors which make up “Quality of project” criteria. Move the sustainability and exit strategy section of the CFP form up front.  b. add connectedness of project beneficiaries to communities and institutions in Area A and B as an additional parameter within the sustainability framework in the PD.  c. mandate project partners in the CFP to include human capital development and institutional capacity building components in their project.  d. add criteria to CFP, mandating partners to ensure that their beneficiary coverage is inclusive in any one community for projects which create private goods, and/or target the poorest households within these communities using criteria which are transparent and acceptable to the community.  e. modify the OM to reflect the new contracting flexibility and review Annexes so that they align with any modification in the CFP, reporting formats.  f. add the RRF and the Sustainability Parameters to the CFP package.  **Management response:**  The current implementation modality based on the Call for Proposals (CfPs) will be reconsidered as part of the in-depth and broader assessment of CRDP’s previous phases. Once the final shape of the program is developed (including modified outcome and outputs indicators) the associated approaches and implementation modalities will be determined. | February 2015 | UNDP |
| **6. Review the current outcome indicators in the CRDP Results and Resource Framework to ensure that self-perceptions of increased resilience are included to provide evidence that project activities support the achievement of program goals and objectives, and inform ongoing programming and replicability potential.**  **Management response:**  Please see response to joint recommendations 1 and 2. | February 2015 | UNDP |
| **7. With the unallocated funds, lead the technical development, implementation, monitoring and evaluation of an authentic pilot activity (as described in 2 above) using modified CFP documents, grant templates and operational procedures.**  **Management response:**  Please see response to joint recommendations 1 and 2. | February 2015 | UNDP |
| **8. Manage an independent pre and post pilot project evaluation in both the served and control communities in order to assess whether the comprehensive approach gives significant results on the potential resilience and sustainability in Area C and East Jerusalem.**  **Management response:**  See responses above | February 2015 | UNDP |
| **9. Organize a major meeting (or series of meetings as appropriate) including PA representatives from the governorate level, current and potential donors, implementers on MOPAD’s request to share knowledge gained from the CRDP implementing experience to establish a committee to stronger and expanded CRDP program as a major tool to support the two-state solution.**  **Management response:**  A two-pronged approach will be used to 1) strengthen knowledge sharing and 2) advance on strategic discussions. There is a need to discuss and clarify the recommendation as well as its added value. Meanwhile, UNDP and MOPAD are currently preparing for a meeting with the PA and donors. | February 2015 | UNDP |