



Management Response

Mid-term Evaluation of the global programme 'Inclusive and Equitable Local Development (IELD)'

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Overall comments: UNCDF, UN Women and UNDP appreciate the Evaluation team's effort in putting together the mid-term Evaluation report and comprehensive country case studies for the IELD programme based on extensive country visits conducted. The three agencies reiterate the importance they attach to the evaluation of this flagship programme and welcome the insights it provided on how we can incorporate gender equality effectively and efficiently within our existing programmes and practice as well as for designing future women's economic empowerment initiatives.

The report includes important details on the country level approaches and substantive technical work supported by the programme. For instance, the detailed analysis on how the three tools developed by the programme (Local Economic Assessment, Women's Economic Empowerment Index and Capacity development module on WEE for local governments) helped the agencies to deepen work on WEE financing and women's economic empowerment is very useful. However, in our view, a comprehensive analysis of the IELD theory of change and a commentary on the proposed inclusive local development model and underlying assumptions of the programme could have been very useful for the three agencies, which is unfortunately not sufficiently addressed. Another area which needed further elaboration is the specific context of the least developed countries where IELD was implemented and a detailed discussion of the significant challenges to WEE that IELD focused on addressing. The three agencies understand the need to implement the tools which have been tested and finetuned and will explore future opportunities for collaboration (subject to budget availability).

The three agencies appreciate the Evaluation team for a detailed review of agency wise accomplishments specially for highlighting the core competencies each of the three agencies brought towards a joint response to address gender responsive local financing gaps in the programme countries. What is most useful is an assessment of country level contributions of the three agencies in building local capacities and systems and advancing a gender responsive local development agenda through financial instruments. However, a detailed documentation and acknowledgement of the complexity of the approach that brought together three agencies in multiple country contexts could have been very useful.

Since the beginning of the programme implementation, every effort was made to ensure that the Global Steering Committee (GSC) plays an effective role to facilitate strategic decisions of the programme. For instance, for all GSC meetings, agendas were jointly developed, taking on board suggestions of the three agencies. Annual workplans were regularly submitted and discussed by the GSC, key programme events and activities were regularly and thoroughly discussed, minutes were prepared and circulated to all partners for comment or correction prior to finalization of GSC conclusions and recommendations. UNCDF also made sure that the programme management unit under the PM has put in place a strong coordination mechanism. While UNCDF does not fully agree with the Evaluation assertion related to the GSC and its role, it takes on board key recommendations made by the Evaluation team for putting in place effective and strong coordination systems for future joint programmes as noted in the action points presented below. The three agencies take on board the recommendations made by the Evaluation and will find opportunities to continue the successful and strategic partnership in future joint projects with improved governance and budget management arrangements.

Evaluation Recommendation 1: High level discussions among the three agencies should be undertaken to review how the concepts behind IELD fit with their current priorities, clarify the objectives for future collaboration on WEE and agree on a strategy to move forward with future WEE work.

Substantial scope exists for continuing collaboration around WEE issues. The evidence from the evaluation shows the potential benefits of working together in areas such as combining LEAs and WEEI to support better decision-making on investments at a local level. It also shows the importance of building broader capacity of both the public and private sector at the local level to develop a more gender-responsive enabling environment. The lessons from IELD can inform new approaches for future coordination and programming at both an agency and country levels. Scope exists to begin to better define a strategy for future collaboration on WEE including considering new approaches to working together.

Management Response: Management agrees with the recommendation. Each agency will review how IELD objectives will inform future collaboration and corporate priorities on women’s economic empowerment. The agencies will make independent efforts to make sure that IELD approach and its tools will continue to be used as a framework for future programming related to local investments for women’s economic empowerment. IELD will convene a concluding committee to discuss how they want to share the concept forward for IELD.

Building on IELD work and in alignment with corporate priorities, UNCDF will develop and implement a new stream of work related to gender responsive municipal financing. A new programme concept, ‘IncluCity’, has been developed as a basis to initiate this work as a pilot starting in 2020. IncluCity is built on an innovative concept that combines local financing for municipalities with gender equality objectives in addition to addressing structural bottlenecks through conducive policy environment and institutional capacity at the local level. A pilot phase document and an implementation plan are currently being finalized and a full programme document is expected to be finalized in 2021.

UNDP has conducted a global review of its portfolio on Women’s Economic Empowerment (WEE). The conclusions identified key strategic entry points for UNDP considering its comparative advantages to move towards WEE. The review and the IELD evaluation will inform the development of the upcoming UNDP Gender Equality Strategy. Gender-responsive local economic development is one of the key entry points for WEE and the IELD model will be incorporated and disseminated for overall UNDP Country Office implementation.

In addition, after successful piloting, starting in October 2020, the three-agency country team in Bangladesh under UN Women’s leadership is implementing a full-fledged country programme, ‘Women Empowerment for Inclusive Growth (WING), a successor of the IELD programme. The programme builds on the technical work, knowledge and tools implemented in the last four years and will allow the three agencies to take this foundational work to scale.

UNCDF and UNDP are collaborating to initiate a new programme to provide gender responsive economic recovery support to local governments and affected women SMEs. The joint program aims at developing a global crowdfunding platform to channel funds towards local gender-responsive investments, ensure gender-responsive local institutions and enabling environments for women-led MSMEs. It builds around IELD experiences and tools.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking*	
			Status	Comments
1.1 Agreed action for incorporating IELD approach in current and future programmes of the	30 June 2020	UNCDF/UNW/UNDP	Completed	Proposed action by each agency was discussed during the upcoming IELD

agencies				Steering Committee 2020 and agreed action plan was finalized.
1.2 High level discussion on how the three agencies incorporate IELD tools in future agency programmes related to WEE financing in the next Steering Committee	31 Dec 2020	UNCDF/UNW/UNDP	Initiated	Agencies to make use of IELD tools as part of future WEE financing programmes
<p>Evaluation Recommendation 2: The results emerging from the existing programming need to be better identified and tracked to provide evidence of outcomes and better define how the pathways for change can work.</p> <p>While the revisions to the IELD RRF made in August 2019 better reflect the work being done under IELD, it continues to focus only on quantitative indicators. A more strategic approach needs to be developed for the final year that: integrates capacity development changes into the reporting; clearly defines the additionality that IELD is providing in the WEE areas; and maps the pathways to catalytic leverage. Lessons from the work should be broadly shared by the three agencies globally.</p>				
<p>Management Response: Management partially agrees with the recommendation. Although current RRF includes mostly quantitative indicators, programme monitoring and data collection tools support collection of qualitative data including details on the innovation introduced by the programme, results scale-up and lessons learned. In addition, programme reporting templates gather qualitative data by each output in addition to RRF data. The point is well taken that a more comprehensive results framework will need to integrate outcomes related to capacity changes, institutional strengthening as well as additionality provided by IELD. For a thorough qualitative assessment of results, the programme plans to produce knowledge products that will elaborate on the programme's efforts towards capacity development, innovations, as well as major lessons for wider dissemination among practitioners</p>				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
2.1 Detailed qualitative information included as part of WEE case studies	31 Dec 2020	UNCDF	Ongoing	Programme case studies are currently being developed
2.2 Programme approach, results and lessons systematically documented and analysed for the qualitative indicators of the WEE investment projects	31 Dec 2020	UNCDF	Ongoing	The case studies and knowledge products will provide a qualitative assessment of programme results.
<p>Recommendation 3: A strategy should be developed by UN Women for how the gender responsive LEA Guidance Note will be disseminated and promoted within UN Women and with outside stakeholders.</p> <p>LEA has a broad applicability and fills a current gap by bringing together local economic assessments with gender issues. UNDP and UNCDF could also assist in this effort, identifying opportunities where their country level programming could benefit from LEAs.</p>				
<p>Management Response: UN Women plans to take concrete action for the wider dissemination of the LEA tool within the organization as well as with external partners. UNDP HQ gender team has incorporated the LEA tool as part of the service offer to UNDP Country offices, promoting its use and further disseminating it. Similarly, UNCDF will make available LEA tool and the related guidance note for its country programme teams and make sure that the local economic assessments undertaken in countries by UNCDF programmes are built on the gender responsive elements included in the LEA tool. Need based technical support</p>				

will be provided to the teams on the effective implementation of the tool.				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
3.1 LEA disseminated internally in UN Women HQ, Regional and Country Offices and external partners	September 2021	PPID, UNW	Not started	
3.2 LEA tool made available to UNDP and UNCDF country teams	March 2021	UNDP and UNCDF	Initiated	
<p>Recommendation 4: UNDP should continue the refinement of the training modules for local officials and develop an approach for replication in various geographic areas.</p> <p>The decision to use local government training institutes as partners provides a method to adapt the course to the country level and promote sustainability and replication. After the initial testing is complete, UNDP will need to develop a strategy for rolling out the courses and generating demand at the country level.</p> <p>Management Response: UNDP completely agrees with this recommendation, and is following this roll-out strategy:</p> <p>UNDP has finalized the basic level of the training course, with exercises and examples from different regions. UNDP, with UNCDF, is producing an intermediate level of the training course, as the audiences may be very diverse from country to country. A Rapid Handbook for gender-responsive economic recovery planning post-COVID is being coordinated by UNDP, to complement the training course. UNDP has developed a partnership with UCLGs (United Cities and Local Governments) to co-author the Handbook, together with UNCDF, and to roll out and disseminate both the handbook and the training courses. The first global launch event is planned for January 2021. Technical support is already offered to those country offices and local governments demanding for it. After each implementation of the training course, the localized exercises will be added to regional databases, so country offices from each region will be able to exchange exercises and localized examples. UNDP and UNCDF have also co-developed a concept note and are exploring partnerships for a scale up of the IELD approach.</p>				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
4.1 Finalization of the WEE training courses, with proofreading, design and publication	31 December 2020	UNDP	Course finalized, in process of proofreading and design	
4.2 Rapid Handbook for post COVID-19 gender-responsive economic recovery developed and disseminated.	15 January 2021	UNDP with support of UNCDF and UCLG	First draft prepared, being revised by UCLG	
4.3 Services to UNDP country offices and local governments offered to implement the tools and collect exercises for the database.	March 2021	UNDP	Initiated	
4.4 A joint UNDP / UNCDF proposal is finalized	October 2020	UNDP and UNCDF	Completed	

to scale up the IELD approach for a post covid-19 gender responsive economic recovery programme.				
Recommendation 5: UNCDF should review the current investment process as it applies to funding small SMEs and determine whether some streamlining can be done to make it more efficient. Those involved in the investment process felt that a few areas could be streamlined for the smaller investments without impacting the quality of the overall process of its due diligence aspects.				
<p>Management Response: UNCDF partially agrees with this recommendation. The investment process has not affected planned commitments for IELD investments. The programme managed to fund 22 IELD investments in 2018 and 2019, that is about 1 investment per month. The projects were extensively reviewed for thematic and financially viability before clearances granted to be presented in the LD and LDCIP Investment committees. The average grant size was about \$120,000 per project. Moreover, the project development process was also a capacity development exercise for gender responsive enterprises and PPPs that required significant handholding and technical support to develop and refine business plans and financial plans to be investment ready.</p> <p>The current pipeline development process is built in a way that ensures quality control and proper due diligence at every step from project sourcing to disbursement of funds and monitoring of results. There are important checks and balances and necessary approvals required to maintain the integrity of the process as per UNCDF's internal control framework for programmes and operations. This process is transparently built with a participatory approach to ensure that the most viable projects are selected and funded that have potential to produce desired outcomes.</p> <p>UNCDF has taken necessary steps to avoid unnecessary delays and make the investment approval process more efficient. A condensed review process is being adapted for smaller projects as well as bulk approval modality is used for an efficient due diligence and quality assurance of the investment projects. For loan-based projects, UNCDF has streamlined the transaction assessment process in order to avoid overlapping steps undertaken by the LDC Investment Platform and the Investment Committee led by the transaction team. In case of smaller projects, more than one project was presented to the investment committee to receive approval for a bulk of projects. IELD investments for Mali have followed such a condensed approach whereby 3 investments per committee were presented for approval twice, resulting in a total of 6 investments approved within a short time frame. This reduced the transaction costs and increased efficiency as well as ensuring timely disbursements of funds to the grantees.</p>				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
5.1 UNCDF Investment committee reviews more than one WEE project	31 December 2020	UNCDF	Status	Comments
5.2 WEE investments follow the efficient UNCDF investment review and funding process that uses online protocols for quick approval and disbursements	31 December 2020	UNCDF	Completed	When feasible, investment committees discussed and approved more than one WEE project
			Completed	All IELD projects disbursed during 2019 and 2020 followed the new review process
Recommendation 6: UNCDF should provide adequate funding for ongoing and expert monitoring and coaching of the IELD investment portfolio to ensure that both financial and development outcomes are being achieved. Both funds and human resources are require				
Management Response: UNCDF has put in place systems for monitoring results of investments as part of a corporate online platform. In addition, to assess				

impact of IELD investments in SMEs and municipal projects, a dedicated monitoring matrix has been developed with both qualitative and quantitative indicators. The matrix allows systematic collection of data on key outcomes from each grantee on yearly basis. This complements the data collected through corporate monitoring tools for the investments.

IELD investments were finalized and grants were disbursed in 2018 and 2019, with 14 investment grants disbursed in 2019. Therefore, it is still too soon to assess a meaningful impact on the livelihoods of women. However, monitoring of projects is ongoing by the country team and for a systematic and comparable data collection, UNCDF will use the WEE dedicated monitoring matrix in addition to corporate tools. The data collection process has already been initiated with an aim to analyze early impact across all 22 WEE investments before the end of this year. In addition, the IELD programme is developing case studies and knowledge products this year to document substantive results of investments by UNCDF across programme countries. The assessment will include qualitative analysis on the achievements of the WEE investments as well as an account of the current gaps and needed technical support for the funded SMEs on a regular basis.

In addition, a dedicated programme analyst has been added to the team to provide support to the country teams on regular monitoring to collect data and to provide required technical support to women SMEs and local governments funded by IELD. Additional funding is provided from HQ funds as needed to country teams to ensure timely support for the grantees. In addition, to document qualitative impact of the investment projects, WEE experts have been recruited that will analyze projects' benefits to target women in addition to assessing the contributions of the project to the local economic development.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
6.1 Collection of data to monitor impact of WEE investments in collaboration with country teams	31 December 2020	UNCDF	On-going	
6.2 WEE investment's impact documented as well as a technical paper on WEE financing developed to assess development outcomes of the WEE projects	31 December 2020	UNCDF	On-going	
6.3 Dedicated human resource is in place for regular monitoring and assessment of WEE investment project impact	30 September 2020	UNCDF	Completed	

Recommendation 7: In Tanzania, for the remainder of the Kigoma Joint Programme (KJP) funding, the three agencies should specifically target building synergies across the programming as the PPP and SME investments come on stream.

While much of the programming has been done in parallel, opportunities now exist for greater coordination within the region. Opportunities also exist to create greater synergies with other parts of the KJP programme such as work on agriculture.

Management Response: The three agencies agree with the recommendation. Initial results have been achieved in targeted districts in the Kigoma region as three main streams of work. The three agencies acknowledge that further coordination for more coherent response on ground will be more effective. Systems for joint work planning and agency wise coordination will be further strengthened through regular joint technical meetings as well as missions in the target districts. Improved collaboration with other KJP programme thematic areas will also be prioritized through a regular channel for information sharing as well as technical meetings on a regular basis.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
7.1 Information of programme implementation progress and achievements collected and shared as part of YWEE theme of the KJP	January 2021	UNCDF/UNW/UNDP	On -going	The programme implementation progress and achievements information are shared and discussed in the Youth and Women Economic Empowerment (YWEE) theme technical meetings, KJP theme leads meetings, and KJP steering committee meetings.
7.2 Participation in the YWEE KJP technical coordination and planning meetings	December 2020	UNCDF/UNW/UNDP	On -going	Agencies are participating in the YWEE coordination meetings. The meetings discuss implementation progress, achievements, challenges, lessons learned, sustainability and work planning.
<p>Recommendation 8: With the new funding from the Netherlands, the three agencies in Bangladesh should ensure that a full monitoring system is in place from the start of the new programming.</p> <p>The Theory of Change needs to be clear and monitoring systems should be in place to track progress and gain insights into how the model is performing. The monitoring approach should include clear roles and responsibilities, agreed definitions of target groups and agreed definitions of indicators.</p> <p>Management Response: For the new country programme, proper monitoring systems will be put in place early on building on the experiences from IELD pilot work. The country team under UN Women's coordination will make sure that dedicated human and financial resources are allocated for tracking programme progress and reporting. The new country programme, 'Women Empowerment for Inclusive Growth (WING), includes a robust theory of change that builds on the comparative expertise of the three agencies. The new programme builds heavily on the technical work, knowledge and tools implemented in the last four years and will allow the three agencies to take this foundational work to scale.</p>				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
8.1 Develop a joint M&E framework to monitor WING project progress with collective accountability of the three agencies.	30 September 2020	UNCDF UN WOMEN UNDP	Completed	Joint M&E framework developed and approved.
8.2 Put in place proper human and financial resources for regular monitoring of programme results.	30 September 2021	UNCDF UN WOMEN UNDP	On going	Process is ongoing.
8.3 Prepare a detailed M&E plan for WEE investment projects that will allow regular monitoring and reporting on intended results.	31 December 2020	UNCDF UN WOMEN UNDP	Completed	WEE Investment progress to be monitored by a robust M&E plan developed by the global team.