



UN-Habitat Evaluation Policy

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2023 UN-Habitat Evaluation Policy

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Acronyms and Abbreviations

AI	Administrative Instruction
DAC	Development Assistance Committee
EB	Executive Board
ED	Executive Director
Evalnet	Network on Development Evaluation
GA	General Assembly
IEU	Independent Evaluation Unit
JIU	Joint Inspection Unit
OECD	Organisation for Economic Co-operation and Development
OIOS	Office of Internal Oversight
PPBME	Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation
PRC	Programme Review Committee
RBM	Results-based Management
RBME	Results-based Monitoring and Evaluation
SDGs	Sustainable Development Goals
TOR	Terms of Reference
UN	United Nations
UNEG	United Nations Evaluation Group
UN-Habitat	United Nations Human Settlements Programme
QCPR	Quadrennial Comprehensive Policy Review of Operational Activities for development of the UN system

Foreword by the Acting Executive Director



I am pleased to introduce the UN-Habitat Evaluation Policy 2024, which replaces the previous version published in 2013. Since the adoption of the previous policy, important changes have taken place internally and externally. We adopted 2013 evaluation policy before the adoption of the 2030 Agenda with its Sustainable Development Goals (SDGs), before the New Urban Agenda and before adoption of the current UN-Habitat governance and organizational structures. All these changes have influenced the context in which UN-Habitat evaluations are conducted.

Also, the 2013 policy has been revised based on the requirement of the new Administrative Instruction of Evaluation in the United Nations (UN) Secretariat (ST/AI/2021/3) as well as on the Joint Inspection Unit (JIU) recommendation that UN-Habitat Evaluation Policy of 2013 be reviewed and updated. This policy is expected to bring improvements to our planning, management, conduct and use of evaluations. It is intended to guide UN-Habitat staff and evaluation consultants involved in UN-Habitat evaluation processes.

Good evaluation practices are expected to play a crucial role in supporting the effective and efficient implementation of the New Urban Agenda (NUA) and achievement of the SDGs. Indeed, as part of his management reforms, the Secretary-General, António Guterres, committed to strengthen the evaluation capacity of the United Nations Secretariat, infusing evaluation in decision making processes, programme planning and delivery and reporting on the results achieved by the UN as an organization.

We all know UN-Habitat's broad mandate and the limited resources to conduct all evaluations as required by the regulations and rules that govern evaluations.

However, we acknowledge how evaluation is essential in supporting accountability and transparency, enhancing learning and influencing better decision-making and demonstrating results achieved by UN-Habitat interventions. Hence, strengthening our evaluation organizational capacity to carry out credible, high quality and useful evaluations is part of UN-Habitat priorities.

Our governing bodies, the Member States, donors, and other development partners are demanding to know how well UN-Habitat's interventions are achieving intended results, and how effectively they are contributing to broad global development agendas such as the 2030 Agenda and its SDGs, the eradication of poverty and climate change initiatives' targets. Our strategic plan, annual work programmes, and projects all commit us to achieving results. I expect that this policy will facilitate staff and our partners, especially those involved in evaluation activities, to assess our interventions effectively at the global, regional and country levels and enable us to demonstrate the results UN-Habitat achieves.

I would like to thank the Independent Evaluation Unit for updating the previous policy. Most provisions in the policy are implementable within our budgetary provisions and enter into operation immediately. The policy will be reviewed and updated periodically based on the lessons learned from its implementation and in the light of evolving context of evaluation processes of the United Nations system.

This evaluation policy is a useful tool for UN-Habitat and our partners. It has my approval and I count on cooperation and support of all UN-Habitat staff in using this policy that will further contribute to strengthening the UN-Habitat's evaluation function.

Michal Mlynár
Assistant Secretary-General and Acting Executive Director, United Nations Human Settlements Programme (UN-Habitat)

I. Introduction

1. The United Nations Human Settlements Programme (UN-Habitat) is the specialized programme in the United Nations (UN) system with a mandate to promote sustainable urbanization and human settlements development. The agency fulfills its mission and objectives through its normative and operational work at the global, regional, national and local levels. It also leads and coordinates the monitoring and reporting on global progress in the implementation of the New Urban Agenda¹ and Sustainable Development Goal (SDG) 11² in collaboration with other United Nations entities and other partners.³
2. With scarce resources, there is increasing interest and demand from Member States, donors and key stakeholders for credible, useful and independent evaluations, both at the individual agency level and at the United Nations system-wide level.⁴ Through a strengthened evaluation function, UN-Habitat can demonstrate the results achieved by the organization, improve accountability and transparency, and ensure that evaluations contribute to organizational learning and better inform programme planning and design, implementation and evidence-based policymaking.
3. Evaluation has been a core function of UN-Habitat since its establishment in 1978. In 2012, a distinct Independent Evaluation Unit (IEU) was created. In January 2013, [the UN-Habitat Evaluation Policy](#) was adopted, and in 2016 [the UN-Habitat Revised Evaluation Framework](#) was approved to guide implementation of the policy. In 2018, [the UN-Habitat Evaluation Manual](#), replacing the 2003 edition, was adopted. The manual streamlines evaluation processes by providing a step-by-step practical guidance to evaluation in UN-Habitat. These tools are intended to strengthen UN-Habitat's evaluation function to contribute to the organization's development effectiveness. The tools are accessible on the home page of the UN-Habitat evaluation website: www.unhabitat.org/evaluation
4. This 2024 evaluation policy builds on the main elements of the policy of 2013. The purpose of the revised policy is to ensure that UN-Habitat and its partners use evaluations for strengthened accountability, learning and continuous improvement, with the ultimate goal of contributing to better results and development effectiveness of UN-Habitat. The policy comprises the set of principles and requirements that guide the decisions and actions of UN-Habitat when planning, budgeting, conducting, disseminating and using evaluations. It is in line with the 2016 United Nations Evaluation Group (UNEG) Norms and Standards (2016) and the new Administrative Instruction for Evaluation in the United Nations Secretariat (ST/AI/2021/3) that sets out how UN secretariat entities should manage, conduct and use evaluations.

¹ New Urban Agenda 2016

² SDG 11: Make Cities and Human Settlements Inclusive, Safe, Resilient and Sustainable

³ A/74/6 (Sect. 15), para. 15.1

⁴ UNEG Strategy 2020–2024 of October 2019

II. Rationale for 2024 Evaluation policy

5. Since the adoption of the 2013 UN-Habitat Evaluation Policy,⁵ the environment in which the organization operates has changed significantly. Also, the context in which evaluations are planned and the landscape in which evaluations are conducted has been separated by wide-ranging global priorities. The policy is oriented to guide the planning, management and conduct of evaluations in line with the 2030 Agenda and its Sustainable Development Goals (SDGs),⁶ responding to the call for rigorous evidence, informed by country-led evaluations. In addition, the 2016 Quadrennial Comprehensive Policy Review of operational activities for development of the United Nations system (QCPR) emphasizes the importance of strengthening national evaluation capacities and joint and system-wide evaluations, high-gravity, accessible, timely and reliable evaluation evidence to support the achievement of the 2030 Agenda.

Also, the policy is in alignment with the 2016 updated UNEG Norms and Standards for evaluation.

6. The UN General Assembly and the Secretary-General have made many calls for evaluations to be strengthened. In his 2017 report A/72/492 on “Shifting the management paradigm in United Nations: ensuring a better future for all”, the Secretary-General committed, in paragraph 61, to strengthen the evaluation capacity of the United Nations Secretariat to better inform programme planning and design and enhance reporting on programme performance. The Secretary -General’s bulletin entitled the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget,

the Monitoring of Implementation, and the Methods of Evaluation, commonly known as PPBME (ST/SGB/2018/3) mandates the conduct of evaluation but does not define in detail the roles of individual agencies in planning and conduct of evaluations.

7. Subsequently, in August 2021, the Administrative Instruction (AI) of Evaluation in the United Nations Secretariat (ST/AI/2021/3) was published to elaborate the requirements set out in Article VII of PPBME (ST/SGB/2018/3) regarding the management, conduct and use of evaluations. The AI requires all Secretariat entities to have an evaluation policy. Those entities that already have policies, like UN-Habitat, were to review and update their policies, adhering to and referencing the requirements of the Administrative Instruction. In addition, in its report JIU/REP/2022/1 on “Review of management and administration in the UN-Habitat”, the Joint Inspection Unit inspectors recommended that UN-Habitat Evaluation Policy adopted in 2013 should be reviewed and updated, reflecting the new governance and organizational structures at UN-Habitat.

8. The revisions to the evaluation policy are intended to support UN-Habitat in achieving the objectives of UN-Habitat’s evaluation function as outlined in the Theory of Change (ToC) outlined in Annex 1. The 2024 policy emphasizes the systemic use of evaluation evidence for learning, decision-making and accountability, guiding the design and implementation of programmes and projects in UN-Habitat and supporting decision-making by partners for improved performance of UN-Habitat.

⁵ The UN-Habitat Evaluation Policy was approved by the UN-Habitat Senior Management Board in March 2013

⁶ The 2030 Agenda, with 17 goals and 169 targets, is a plan for people, planet and prosperity which was adopted by Member States in 2015. It seeks to foster peace and mobilize partnership with participation of all countries, all stakeholders, and all people. It was adopted by United Nations in 2015

III. Conceptual Framework

Definition of evaluation

9. UN-Habitat subscribes to the UNEG definition of evaluation contained in the Norms and Standards for Evaluation (2016), which states that evaluation is an assessment, conducted as systematically and impartially as possible, of an activity, project, programme, strategy, policy, topic, theme, sector, operational area, or institutional performance. It analyses the level of achievement of expected and unexpected results by examining the results chain, processes, contextual factors and causality, using appropriate criteria such as relevance, effectiveness, efficiency, impact and sustainability. An evaluation should provide credible, useful evidence-based information that enables the timely incorporation of its findings, recommendations and lessons into the decision-making processes of organization and stakeholders.⁷

Evaluation criteria

10. The definition of evaluation includes evaluation criteria of relevance, effectiveness, efficiency impact and sustainability. The Organization for Economic Co-operation (OECD) and Development's Development Assistance Committee (DAC), first laid out the evaluation criteria in the 1991 OECD DAC principles for evaluation of development assistance and later defined the terms in the 2002 Glossary of Key Terms in Evaluation and Results -Based Management. The five criteria became core reference for evaluating developing and humanitarian projects, programmes and policies.

11. In 2018–2019, the DAC Network on Development Evaluation (EvalNet) revisited the definitions and use of the OECD DAC evaluation criteria and added the criterion of coherence. The six evaluation criteria were adopted by UNOG and UN-Habitat uses these criteria in assessing work and institutional

performance in fulfilment of its mandates. Furthermore, evaluations use other criteria to assess other critical dimensions, including partnerships, mainstreaming of cross-cutting issues including gender equality, human rights, environmental social dimensions of youth and disability inclusion.

12. Evaluation criteria should be applied thoughtfully to support high-quality and useful evaluation. They should not be applied mechanistically; instead, they should be covered according to the needs of the relevant stakeholders and the context of the evaluation as well as the available time frame and budget. For a mid-term evaluation, for example, it might be less useful to include impact and sustainability criteria. Overall, the purpose of the evaluation will guide its objectives, which in turn will guide the evaluation criteria and evaluation questions.

Evaluation Criteria and related questions

13. **Relevance: *Is the intervention doing the right thing?*** The extent to which the intervention objectives and design respond to beneficiaries, global, regional, country and partner or institution needs, policies, and priorities and continued to do so if circumstances change. Also important is the extent to which a development initiative and its intended outputs and outcomes are consistent with national and local policies and priorities and the needs of target beneficiaries.

14. **Effectiveness: *Is the intervention achieving its objectives?*** The extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups. In this context, cost-effectiveness assesses whether or not the costs of an intervention/activity can be justified by the outcomes.

⁷ UNEG Norms and Standards for Evaluation, June 2016, page 10

15. Efficiency: How well are resources being used?

The extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way. An initiative is efficient when it uses resources appropriately and economically to produce the desired outputs.

16. Impact: What difference does the intervention make?

The extent to which the intervention has generated or is expected to generate significant positive, or negative, intended or unintended changes (effects) produced by an intervention. Evaluation of impact is important because it generates useful information for decision-making and supports accountability for delivering results.

17. Sustainability: Will the benefits last? The likelihood that the benefits of the intervention will continue or are likely to continue for an extended period after donor funding or another form of external support is withdrawn. Assessment includes an examination of the financial, economic, social, environmental, and institutional capacities of the systems needed to sustain net benefits over time. It involves analyses of resilience, risks and potential trade-offs.

18. Coherence: How well does the intervention fit? The extent to which other interventions support or undermine the intervention and vice versa. It includes internal and external coherence. Internal coherence deals with the synergies and interlinkages between the intervention and other interventions carried out by the same institution or government, and the consistency of the intervention with the relevant international norms and standards to which the institution or government adheres. External coherence considers the consistency of the intervention with other actors' interventions in the same context. This includes complementarity, harmonization, and coordination with others and the extent to which the intervention is adding value while avoiding duplication of efforts.

Purposes and objectives of evaluation

19. In UN-Habitat, evaluations are conducted to serve three main complementally purposes: (i) support accountability, ii) contribute to enhanced learning and (iii) influence better evidence-based decision-making.

a) **Accountability:** evaluations provide a basis for accountability to key stakeholders by providing information for understanding organizational performance and demonstrating results achieved by the organization. This means finding out to what extent an intervention has been relevant and has achieved the results for which it was intended, if the results are sustainable and if they were delivered efficiently and effectively. The transparent reporting of evaluation results will enhance Member States, donors and other stakeholders' confidence in the ability of UN-Habitat to deliver on the mandates entrusted to the organization.

b) **Learning:** evaluations contribute to enhanced learning in order to improve current and future policies, strategies, programmes and projects as well as processes. A strong culture of evaluations will help UN-Habitat to learn from experience and better understand what works well and not so well, in what contexts and why. Such learning from an evaluation is a catalyst for innovation and continuous improvement of the organization.

c) **Evidence-based decision-making:** evaluations provide credible and reliable evidence for better decision-making by providing information to inform planning, programming, budgeting, implementation, reporting to key stakeholders and contribute to evidence-based policy-making and organizational effectiveness.

20. A stronger evaluation function is integral to organizational learning and an improvement culture. It enhances accountability and transparency and facilitates communication and understanding of expectations on the part of UN-Habitat, Member States, donors and other stakeholders.

The Administrative Instruction (AI/2021/3) prescribes instructions and procedures for the implementation of Article VII of the regulations and rules governing Programme Planning, the Programme Aspects of the Budget, the Monitoring Implementation and the Methods of Evaluation (ST/SGB/2018/3), otherwise known as the PPBME. As per the PPBME (Regulation 7.1), the objective of evaluation is:

- a) To determine as systematically and objectively as possible the relevance, efficiency, effectiveness and impact of the Organization's activities in relation to their objectives.
- b) To enable the Secretariat and Member States to engage in systematic reflection, with a view to increasing the effectiveness of the main programmes of the organization by altering their content and, if necessary, reviewing their objectives.

Other types of assessments undertaken in UN-Habitat

21. Evaluation is related to, but distinct from, other oversight and organizational functions carried out in UN-Habitat: monitoring, audit, appraisal, reviews and research. There should be a clear delineation of these roles, in line with the administrative instruction of evaluation in the United Nations Secretariat (ST/AI/2021/3), and clarity on the resources (financial and human) provided for each distinct function. In programme design and implementation, UN-Habitat considers the possible linkages and opportunities for collaboration between evaluation and research.
22. **Monitoring** is an ongoing systematic collection of data on specified indicators to track progress and to provide management and main stakeholders of an ongoing intervention with indications of the extent of progress and achievements of objectives, based on new information as implementation occurs. Robust monitoring systems are necessary to ensure that a programme or project has sufficient data to be used during its evaluation.
23. **Audit** is focused mainly on compliance with the rules and regulations of the organization and risk management, while evaluation is focused on results and enhancing the understanding of what works or does not, why and how.
24. **Appraisal** is an overall assessment of the relevance, feasibility and potential sustainability of a development intervention prior to a decision being made about its implementation.
25. **Research** is a systematic examination aimed at contributing to knowledge or describing a new phenomenon or to enable prediction or enable control. Evaluation uses social science research methods of data collection and analysis and can contribute to knowledge. However, its main purpose is to support management by contributing to organizational accountability, decision-making and learning.
26. **Reviews** are periodic or ad hoc assessments of the performance of an initiative. Reviews tend to emphasize operational issues over the achievement of development results and are conducted by those managing or overseeing the programme. Reviews tend not to be as methodologically rigorous, and they generally do not assess results against evaluation criteria of relevance, effectiveness, efficiency, sustainability, impact and coherence. An evaluability assessment is an example of a review that should be conducted prior to evaluation.

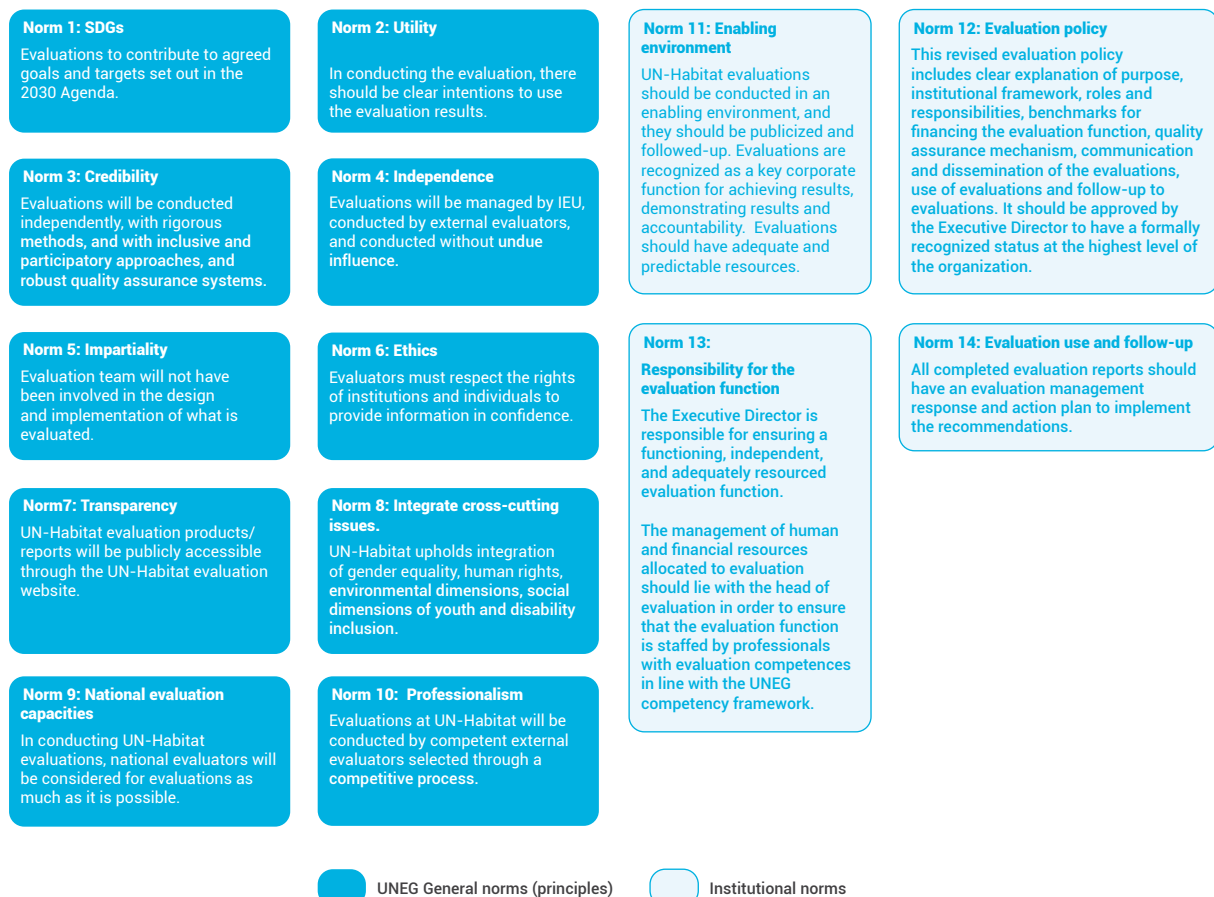
IV. Evaluation Principles (Norms)

27. UN-Habitat is a member of UNEG and has adopted its norms and standards for evaluation. The Norms and Standards were first adopted in 2005 and updated in 2016⁸ to shed light on the evaluations in the United Nations system in the eras of the 2030 Sustainable Development Agenda. Evaluations at UN-Habitat should be designed, conducted and managed in line with the UNEG Norms and Standards for Evaluation, and the Administrative Instruction in the United Nations Secretariat (ST/AI/2021/3). The 10 general norms (principles) and the four institutional norms, which are operationalized through associated standards, are summarized in figure 1.

Internationally agreed principles, goals and targets

28. In its evaluation practice, UN-Habitat will uphold and promote the principles and values to which the United Nations is committed. In particular, evaluations will be designed to assess UN-Habitat's contributions to the implementation of the 2030 Agenda and its SDGs and other international agreed goals by Member States and offer recommendations towards greater alignment of UN-Habitat's work with the SDGs and the New Urban Agenda.

Figure 1 UNEG general and institutional norms



8 UNEG Norms and Standards 2016, pages 10–14

Relevance and utility

29. UN-Habitat evaluations should respond to the interest and needs of the intended users and be utilization focused. In commissioning and conducting evaluation, there should be a clear intention to use the evaluation results. UN-Habitat will facilitate a planning process for each evaluation to clarify, from the outset, the use of the evaluation. The utility of evaluation manifests through relevant and timely contributions to organizational learning, informed decision-making processes and accountability for results and generating knowledge and empowering stakeholders within UN-Habitat and beyond.

Credibility and robustness

30. UN-Habitat evaluations should be credible by applying justifiable approaches and methods for data collection, analysis and conduct, evaluations should be conducted by competent evaluators. Credibility is grounded on independence, impartiality and rigorous methodology. Key elements of credibility include transparent evaluation processes, inclusive approaches, involving relevant stakeholders and robust quality assurance systems. Evaluations' results and recommendations are derived from or informed by evidence from evaluation findings and conclusions. Credibility requires that evaluations are ethically conducted and managed by evaluators that exhibit professional and cultural competencies.

Evaluations should be independent and impartial

31. UN-Habitat evaluation function should be independent of other operational offices in order to facilitate an independent and impartial evaluation process. The head of the evaluation unit should report directly to the UN-Habitat Executive Director or the Executive Board of UN-Habitat as benchmarked by UNEG norms and standards and in line with Administrative Instruction ST/AI/2021/3. As stated in the UNEG Norms and Standards for Evaluation, UN-Habitat evaluators must have the full freedom to conduct their work impartially, without the risk of negative effects on their career development and must be able to express their assessment freely.

The independence of the evaluation function underpins the free access to information that evaluators should have on the evaluation subject. The independence of UN-Habitat evaluation function is vested in the person heading the evaluation function to commission, produce, publish and disseminate quality-assured evaluation reports in the public domain without undue influence by any party. Evaluators need to be impartial, implying that evaluation team members must not have been directly responsible for the design or management of what is to be evaluated.

Ethics

32. Evaluation is ethical. Evaluations at UN-Habitat should adhere to standards of ethics and integrity, in line with the UNEG Ethical Guidelines for Evaluation⁹ and the UNEG Code of Conduct for Evaluation in the United Nations system.¹⁰ Staff responsible for designing, managing and conducting evaluations should follow the ethical guidelines and ensure that evaluation staff and consultants are aware of them and comply.

Transparency and participatory

33. Not compromising the independence of evaluation, the process of evaluation at UN-Habitat should be transparent and participatory, involving relevant key stakeholders at key stages of evaluation process, including the preparation of the terms of reference (TOR); information on evaluation approaches, design and methodology should be shared through the TOR and Inception report/paper. This is essential for the credibility, quality and utility of the evaluation and facilitates consensus building and encourages confidence and ownership of the findings and recommendations from evaluations. In line with the UNEG norms and standards, on disclosure policy, UN-Habitat evaluation products should be available to key stakeholders and publicly accessible through the UN-Habitat evaluation website: www.unhabitat.org/evaluation

⁹ UNEG Ethical guidelines for Evaluation, June 2020

¹⁰ UNEG Code of conduct for evaluation in the UN system, June 2008

Cross-cutting issues including human rights, gender equality, disability inclusion

34. UN-Habitat methods and tools for evaluations will be designed and deployed integrating cross-cutting issues including gender equality, human rights, environmental and social dimensions, the youth, and disability inclusion. The universally recognized values and principles of human rights and gender equality need to be integrated into all stages of an evaluation. It is the responsibility of evaluators and evaluation managers to ensure that these values are respected, addressed and promoted, underpinning the commitment to the principle of “no-one left behind”.

National evaluation capacities

35. The effective use of evaluation can make valuable contributions to accountability and learning and thereby justify actions to strengthen national evaluation capacities. In line with General Assembly resolution A/RES/69/237 on building capacity for the evaluation of development activities at the country level, national evaluation capacities should be supported upon the request of Member States. UN-Habitat evaluations to the extent possible will be carried out by national consultants.

Professionalism

36. Evaluations should be conducted with professionalism and integrity. Professionalism should contribute towards the credibility of evaluators, evaluation managers and evaluation heads, and the evaluation function. Key aspects include access to knowledge, recognition of skills and experience, adherence to ethics, norms and standards, and utilization of evaluation competencies. Additionally, professionalism should be supported by an enabling environment, institutional structures and adequate resources.

Enabling environment

37. Evaluation requires an enabling environment that includes an organizational culture that values evaluation as a basis for accountability, learning and evidence-based decision-making; a firm commitment from organizational leadership

to use, and follow up on evaluation outcomes; and recognition of evaluation as a key corporate function for achieving results and public accountability. Creating an enabling environment also entails providing predictable and adequate resources to the evaluation function.

Addressing complexity

38. UN-Habitat interventions occur in dynamic and complex-contexts. They are affected by a range of economic, political, socio-cultural and other factors external to the interagency evaluations as well as by the organization as a framework within which they are implemented. UN-Habitat evaluations shall be prepared to adapt around the needs of stakeholders and unexpected challenges during the evaluation exercise.

Safeguarding the evaluation function

39. The independent Evaluation Unit is responsible for ensuring the establishment of and safeguarding an independent, competent and adequately resourced evaluation function. The Executive Director should foster an enabling environment that allows the head of evaluation to plan, design, manage and conduct evaluation activities in alignment with the UNEG Norms and Standards for Evaluation. The Executive Director should ensure that evaluators, evaluation managers and the head of the evaluation function have the freedom to conduct their work without risking their career development. Management of the human and financial resources allocated to evaluation will lie with the head of evaluation function in order to ensure that the evaluation function is staffed with professionals with evaluation competences in line with the UNEG Competency Framework.

Evaluation use and follow-up

40. UN-Habitat should promote evaluation use and follow-up, using an interactive process that involves all stakeholders. Evaluation requires management response addressed to recommendations, whether they are accepted, partially accepted or not accepted; and stating actions and persons to implement the recommendations. The implementation of recommendations should be systematically followed up. Periodic report on the status of the implementation of the recommendations should be presented to the management and governing bodies.

V. Types of evaluations conducted at UN-Habitat

41. The PPBME (ST/SGB/2018/3) and the AI (ST/AI/2021/3) refer to evaluations undertaken by oversight bodies such as the Office of Internal Oversight Services (OIOS) and the Joint Inspection Unit (JIU) as well as those conducted by Secretariat entities. The term “evaluation” is used in this policy in reference to all types of evaluations.
42. The evaluations conducted by UN-Habitat fall into three categories: (i) **centralized evaluations**, managed by the Independent Evaluation Unit (IEU) and conducted by external evaluation consultants who have not been involved in the design, implementation or management of the intervention under evaluation; (ii) **decentralized evaluations**, managed by UN-Habitat branches, regional offices or country offices and conducted by external evaluation consultants; and (iii) **joint evaluations** that are conducted jointly with other UN entities. Self-evaluations are not the scope of this evaluation policy.
43. **Centralized evaluations**, commonly referred to as corporate evaluations, will be planned for in the UN-Habitat Annual Evaluation Plan. The planning will comply with the Administrative Instructions on evaluation in the UN Secretariat (ST/AI/2021/3). Evaluations planned in the agency evaluation plan will be managed by the Independent Evaluation Unit and such evaluations will have a management response and published on the UN-Habitat evaluation website www.unhabitat.org/evaluation. When conducting centralized evaluations, the Independent Evaluation Unit will ensure the quality of the entire evaluation process, including the final evaluation reports and tracking the implementation of the evaluation report recommendations. The Evaluation Unit will be fully responsible for the quality of evaluation reports, and they will be issued as the UN-Habitat evaluation reports.
44. **Decentralized evaluations** will be conducted by evaluation team/evaluators who have not been involved in the design, implementation or management of the intervention under evaluation. They shall be conducted in line with the UNEG norms and standards and adhere to the evaluation ethical guidelines and code of conduct for evaluators. However, due to limited evaluation staff capacity in the Independent Evaluation Unit such evaluations will be managed by project managers; and the IEU will remain with the role of supporting
45. Decentralized evaluations are a crucial element of UN-Habitat evaluation function. First, they inform UN-Habitat's various constituents, including donors and partners, of the merit and worth of a particular intervention. Second, they provide the respective project and programme managers with lessons learned for future project and programme improvement. The most common types of decentralized evaluations are at the project and programme level, typically donor-funded extrabudgetary activities. Decentralized evaluation reports that will meet the quality standards using the UN-Habitat quality assessment checklist of evaluation reports will also be published on the UN-Habitat evaluation website.
46. **Joint evaluations**. Increasingly, United Nations system agencies are seeking to evaluate their combined efforts jointly. The IEU will engage in a strategic manner in joint or system-wide evaluation activities. This may entail management or conduct of joint evaluations or participation in system-wide initiatives, engaging in reference groups.

47. The different types of evaluations conducted by UN-Habitat can further be categorized and named based on timing, what is evaluated, who evaluates, purpose of evaluation and extent of evaluation. Figure 2 summarizes different types of evaluations conducted by UN-Habitat by the different ways of naming. Despite the naming of the evaluation, application of principles will work for all types of evaluations.

48. Regardless of the type of evaluations undertaken, all evaluations at UN-Habitat must be planned, conducted and results used according to UNEG Norms and Standards for Evaluation. The evaluations must also adhere to Administrative Instruction ST/SGB/AI/2021/3 and the principles and dispositions stated in this evaluation policy. Mid-term evaluations will be required for projects/programmes with four or more years of implementation.

Figure 2 Different types of evaluations conducted by UN-Habitat by different naming

Different types of evaluations conducted at UN-Habitat				
When undertaken?	What is evaluated?	Who Evaluates?	Purpose of evaluation?	Extent of evaluation?
<ul style="list-style-type: none"> • Ex-ante evaluation (Evaluability assessment) • In situ evaluations (during) e.g., Midterm evaluation • Ex-post evaluations • End-term evaluation 	<ul style="list-style-type: none"> • Policy/Strategy evaluations • Project/Programme evaluations • Subprogramme/programme evaluations • Institutional evaluations • Cluster evaluations • Thematic evaluation • Country evaluation 	<ul style="list-style-type: none"> • Self evaluation • Internal Evaluation • External Evaluation • Joint evaluation 	<ul style="list-style-type: none"> • Formative evaluation • Forward looking • Outcome evaluation • Impact evaluation 	<ul style="list-style-type: none"> • In-depth evaluation evaluation • Review

VI. Institutional framework

49. A comprehensive institutional framework for managing the evaluation function and conducting evaluations is crucial to ensure an effective evaluation process. The Independent Evaluation Unit is the custodian of UN-Habitat evaluation function and should be positioned independently from other programmatic functions. The Evaluation Unit and external evaluators used to conduct UN-Habitat evaluations will not be directly responsible for policy-setting, design or management of what will be evaluated. The head of Independent Evaluation Unit will have a direct line of communication to the Executive Director and the Executive Board on substantive evaluation issues. Staff responsible for designing, managing, and conducting centralized or decentralized evaluations should conform to UNEG ethical evaluation guidelines. The IEU will ensure that evaluation staff and consultants are aware of and follow those ethical guidelines and code of conduct for evaluations. The staff and evaluation consultants will always be selected through a competitive and transparent process.
50. Ideally, all UN-Habitat programmes, processes and activities should be subjected to evaluations. However, due to insufficient resources evaluation will be prioritized. The selection and prioritization of areas for evaluation will be systematic and strategic based on, inter alia, relevance, significant investment, risk assessment, demands for accountability from Member States, donors and other key stakeholders, and feasibility of the evaluation. Impartiality is an important principle of evaluation because it ensures credibility of the evaluation. In order to avoid conflict of interest those who are involved in the evaluation process must be impartial (i.e, they do not have a vested interest in the intervention evaluated). For this purpose, project and programme officers responsible for project/programme to be evaluated centrally, should not be involved in the decision-making responsibility in the evaluation process, including selection of external evaluation team. Partnerships and cooperation on evaluation within the United Nations system and with other relevant institutions will be encouraged.

VII. Roles and responsibilities

51. Evaluation is a shared responsibility in UN-Habitat. Different stakeholders will share distinct roles and responsibilities in ensuring that evaluation informs decision-making, supports accountability and contributes to learning.

The Executive Board of UN-Habitat

52. The Executive Board (EB) is responsible for the oversight of UN-Habitat operations and to strengthen UN-Habitat's accountability, transparency and effectiveness. With respect to the evaluation function, the Board has a mandate to provide oversight and ensure the compliance of UN-Habitat with evaluations and support auditing functions. The Board will:

- a) Endorse annual evaluation plan when approving the UN-Habitat annual programme of work and budget.
- b) Ensure that UN-Habitat effectively responds to evaluation findings and recommendations, especially those issued by OIOS and JIU.
- c) Or may request UN-Habitat to conduct specific evaluations, as appropriate.

The Executive Director of UN-Habitat

53. The Executive Director should safeguard the integrity of the evaluation function, ensuring its independence and promoting an evaluation culture of accountability, transparency, self-reflection, evidence-based decision-making, knowledge sharing and learning within UN-Habitat. Under Administrative Instruction ST/AI/2021/3, the Executive Director is responsible for:

- a) Ensuring independence of the evaluation function and adequate evaluation capacity in terms of sufficient financial and human resources for evaluation function.
- b) Approving UN-Habitat evaluation policy and other evaluation guidance documents.

- c) Appointing a competent head of evaluation office and ensure that the evaluation function is staffed with competent evaluation staff in the conduct of evaluation.
- d) Approving the annual evaluation plan, ensuring sufficient evaluation resources are allocated to implement the plan.
- e) Hold senior managers accountable for providing management responses to completed evaluations and for implementing evaluation recommendations.
- f) Ensuring that senior management use evaluation findings, lessons learnt and recommendations from evaluations to improve policies, strategies, programmes and projects.
- g) Ensuring that decisions of the governing bodies and donors on the evaluation are followed up and implemented, as appropriate.

The Head of the Independent Evaluation Unit

54. The Independent Evaluation Unit has the responsibility for ensuring that UNEG Norms and Standards for Evaluation are upheld, that the evaluation function is fully operational and duly independent, and that evaluation work is conducted according to the professional standards.

The head will:

- a) Develop and regularly update UN-Habitat Evaluation Policy and provide the normative tools, guidelines and templates that need to be used for centralized and decentralized evaluations.
- b) Prepare and implement annual evaluation plans ensuring they adhere to UNEG Norms and Standards and apply the latest evaluation practices.
- c) Report to UN-Habitat management and governing bodies of UN-Habitat on substantive issues of the evaluation function and advise on what needs to be done.

- d) Prepare and communicate annual evaluation reports summarizing achievements, challenges and opportunities of the evaluation function in a year.
- e) Manage IEU resources including those of staff and funds.
- f) Ensure robust and appropriate evaluation methodologies are developed, adopted and updated frequently.
- g) Ensure evaluations are conducted promptly and with a focus on intended users.
- h) Ensure timely and appropriate communication of evaluation results support organizational learning, including publishing evaluation products on the UN-Habitat's website.
- i) Responsible for developing UN-Habitat evaluation-related databases, including the Evaluation Recommendation Tracking Database and ensuring adequate follow-up mechanisms on the implementation of management response and the recommendations.
- j) Disseminating evaluation findings, lessons and recommendations in appropriate formats to different target audiences to serve the purposes of accountability, learning and decision-making.
- k) Promote partnerships and networks and working through them to support innovation and evaluation capacity development; engaging with UNEG to harmonize evaluation norms and practices, and contributing to United Nations system-wide evaluations.

Directors of Divisions, Regional Representatives and Branch coordinators

55. Directors, Regional representatives and branch coordinators are responsible for managing decentralized evaluations. Working with the IEU, they contribute to a coherent and effective evaluation function in UN-Habitat.
- a) Ensure upholding of the evaluation policy norms and standards, timely preparation of evaluations plans for decentralized evaluations; management responses; and oversee the implementation of management responses.
 - b) Approve the selection of evaluation consultants for decentralized evaluations and approve the main evaluation deliverables of decentralized evaluations.
 - c) Promote the use of evaluation results for decision-making and improved programming and operations and respond to performance information regarding evaluation.
 - d) Ensure adequate financial and human resources are made available for evaluation of projects and programmes.
 - e) Create an enabling environment that strengthens the evaluation culture in the focus area or region under their purview.
 - f) Put in place the factors and resources necessary to ensure the evaluability of projects, including quality design and monitoring, reporting and documentation.
 - g) Are responsible for the use of findings, lessons learned and recommendations resulting from evaluations to improve planning and implementation of projects.

Programme managers and project officers

56. Project managers are obliged to keep the directors of their respective offices, chiefs of branches, and the Independent Evaluation Unit informed of evaluations that they would like to undertake. In addition to consultations with relevant colleagues, project managers shall seek guidance and clearance from the Evaluation Unit on the terms of reference, methodology for conducting decentralized evaluations.

- a) Managers of branches, sections and field offices are responsible for supporting evaluation processes, ensuring that management responses to evaluations are duly prepared, and that recommendations and lessons learned are followed up in a timely manner. Management responses to evaluations recommendations shall include specific, time-bound actions, to implement the recommendations.
- b) Programme and project managers are the immediate clients of evaluations and should be actively involved in the evaluation processes that are undertaken at project and programme levels. They should contribute to the planning, preparation, implementation and follow-up of evaluations.
- b) Ensure project and programmes have appropriate theory of change (TOC) and appropriate results frameworks with clear objectives, outcomes, with associated indicators of achievement and means of verification.
- c) Ensure projects and programmes have monitoring and evaluation frameworks before they are approved for implementation. The monitoring plan should describe the process, mechanism and tools for collecting the monitoring data against indicators of achievement in the results framework.
- d) Not to approve any project or programme with no budget provision for evaluations, with exception of those with the value of less than USD 300,000 or when the evaluation is carried out and funded by another organisation or donor as may be stipulated in the contribution agreement with the donor.

Programme and Project Review Committee (PRC)

57. The Programme and Project Review Committee (PRC) has the responsibility of reviewing and improving the quality of projects and programmes in line with results-based management and will:

- a) Ensure that projects and programmes, have clear strategic intent, and articulated levels of activities, financial resources, results-chain and implementation strategies.
- a) Endorses the Evaluation Policy, annual evaluation plans before they are approved by the Executive Director
- b) Endorses management responses for completed evaluation reports
- c) Follows up on management responses and implementation of evaluations recommendations by UN-Habitat, OIOS and JIU
- d) Reviews progress to key evaluation performance targets and devises follow-up measures

Programme Management Committee

Monitoring and evaluation focal points

58. The evaluation focal points will support the IEU in all steps of the evaluation process and ensure compliance with corporate standards in their Divisions and Regional Offices. Their responsibility will be to:

- a) Coordinate evaluation activities in their Regional Offices or Divisions; and support the preparation of their office evaluation plan to be submitted to the Independent Evaluation Unit
- b) Support preparations of the draft terms of reference for decentralized evaluation, ensuring they meet UN-Habitat guidance requirements, including integrating gender equality and women's empowerment and other cross-cutting issues.
- c) Ensure that the evaluation terms of reference, evaluation reports, management responses, lessons learned, and other relevant information of decentralized evaluations are available to Independent Evaluation Unit.

- d) Support the Independent Evaluation Unit in the facilitation of knowledge sharing and use of evaluation findings in programming and decision-making

Relevant staff involved in planning and monitoring and audit functions

59. Relevant staff will participate in the evaluation process by providing inputs to the terms of reference, data collection instruments. Their responsibility will be to:

- a) Provide relevant documentation and data for evaluation, including relevant programme monitoring, programme assessment and performance-measurement-related information
- b) Provide comments on draft evaluation reports and confirm the accuracy of evaluation data.

VIII. Planning and prioritizing evaluations

60. Regulation 7.2 and Rule 107.2 in Article VII of the PPBME (ST/SGB/2018/3) require that all activities programmed shall be evaluated on regular and periodic basis and that at project, programme and subprogramme levels, evaluations will be linked to strategic plans. However, due to limited resources, UN-Habitat evaluations must be prioritized during the preparation of annual evaluation plans to ensure that evaluations conducted are representative of UN-Habitat's work and mandates.

Annual evaluation plan

61. The ST/AI/2021/3 requires all UN Secretariat entities to have annual evaluation plan meeting specific evaluation coverage criteria. The development of the plan should be a collaborative process involving senior leadership and programme staff and should be determined by entity's priorities. The UN-Habitat evaluation plan will include centralized evaluations. At minimum the evaluation plans will include:

- a) Title of the evaluation
- b) Type of evaluation such as institutional, thematic, strategy, policy, country, programme, project.
- c) Who is requesting the evaluation , e.g Donor, Governing body, UN-Habitat Management
- d) Who will conduct the evaluation, e.g the external evaluation consultant, OIOS, IEU
- e) Source of funding and the evaluation budget
- f) The timing for the evaluation

Prioritizing evaluations

62. Prioritization of evaluations to be included in UN-Habitat annual evaluation plan shall be based on, among others, the following parameters:

- a) Mandatory evaluations requested by the governing bodies, donors or other intergovernmental bodies.
- b) Interventions where UN-Habitat has a strategic interest.
- c) Interventions at risk in terms of unknown or disputed outcomes associated with the intervention.
- d) Large interventions with significant investments.
- e) Interventions where key stakeholders are keen on evaluation as a means of demanding accountability.
- f) Evaluations that are cross-cutting in nature.
- g) Interventions that have innovative value and potential for replication.
- h) Impact evaluation to assess changes brought about by UN-Habitat interventions.

63. The prioritized evaluations will form the annual evaluation plan of the organization as part of its planning and budgeting cycle. In line with the ST/AI/2021/3 guidelines, the preparation of annual evaluation plans should be a collaborative process involving senior leadership and programme staff and should take into account management needs as determined by the organization's priorities, most relevant and most risky subprogrammes. The annual evaluation plan should be endorsed by programme management committee (PMC) and approved by the Executive Director.

64. To avoid duplication, UN-Habitat shall coordinate its evaluation plans with the Office of Internal Oversight Services and the Joint Inspection Unit, and the plans will be accessible on the UN-Habitat evaluation website.

Terms of Reference (TOR) for evaluation

65. The ST/AI/2021/3 requires entities to develop an evaluation inception report or terms of reference for each evaluation it undertakes. The terms of reference should be shared with stakeholders, where possible, to promote transparency and engagement. The evaluation terms of reference should include the following elements:

- a) Introduction of why the evaluation, its mandate and potential use
- b) Background and context of evaluation
- c) Description of what is evaluated
- d) Purpose, objectives and scope of the evaluation
- e) Evaluation criteria and questions
- f) Evaluation approach and methodology
- g) Engagement of stakeholders
- h) Management and responsibilities in the evaluation process
- i) Required qualifications for evaluation team
- j) Work plan and expected deliverables
- k) Evaluation resources.

IX. Selection of evaluation team

66. The ST/AI/2021/3 require that each entity should use qualified external and internal evaluators with relevant professional competencies and experiences. In accordance with the UNEG Evaluation Competency Framework, UN-Habitat selects evaluators who have the following profile:
67. Good professional and technical foundation on evaluation, including familiarity with the UNEG Norms and Standards for Evaluation, solid knowledge of evaluation design, approaches and methods and analytical skills to interpret findings and formulate conclusions and recommendations; and preparation of evaluation reports that meet the UNEG quality standards for evaluation reports.
68. Evaluators should have knowledge of the United Nations system and its principles, values, goals and approaches. They should possess the education, expertise, abilities, skills and experience appropriate to undertake the proposed evaluation of a particular field. To avoid conflict of interest and undue pressure, evaluators must neither have been involved in the design, management, and implementation of the programme or project being evaluated nor expect to be in the future.
69. Evaluators should be able to communicate with a wide range of people, be culture sensitive to respect the cultures of the communities they will work with and not to violate them, intentionally or unintentionally. They should possess the ability to treat everyone with same degree of respect.
70. UN-Habitat evaluators will be selected through a competitive process using job opening advertisement or rosters of evaluation consultants. They will be screened, interviewed, assessed and reference checked before a decision to contract them is made.
71. The IEU will maintain a roster of evaluation consultants who have a good professional and technical foundation in evaluation and several years of experience in conducting evaluations for United Nations entities, including UN-Habitat. The IEU will also have access to evaluation consultant rosters maintained by other United Nations entities, including the Evaluation Consultant Resource maintained by the Evaluation Section, Department of Management Strategy, Policy and Compliance and those maintained by members of UNEG.
72. UN-Habitat adheres to the UNEG Ethical Guidelines and Code of Conduct for Evaluation, which all staff and consultants engaged in evaluation are required to uphold. To this end, IEU will ensure that evaluation consultants contracted will sign the code of conduct form as part of the on-boarding process.

X. Management and conduct of evaluations

73. The ST/AI/2021 requires management arrangements for evaluation to be put in place to ensure independence and impartiality of evaluation. Roles and responsibilities on how decisions will be made on the process of evaluation, evaluation team, approving evaluation design, approving evaluation reports and responsible for management response should be made early during the planning and design of the evaluation, and included in Terms of Reference for Evaluation (TOR).
74. The Independent Evaluation Unit will manage centralized evaluations that will be conducted by external evaluation consultants. It will manage the evaluation process, ensuring that the evaluation is conducted by a suitable evaluation team; providing technical support and advice on methodology; explaining evaluation standards and ensuring they are respected; ensuring contractual requirements are met; approving all deliverables (TOR, Inception Reports; draft and final evaluation reports); sharing the evaluation results; supporting use and follow-up of the implementation of the evaluation recommendations. The unit will ensure evaluators are aware of and conform to ethical guidelines and code of conduct for evaluations.
75. Offices responsible for what is evaluated will not be involved in the management of the centralized evaluation but support evaluation process by providing information required and logistics of evaluation. They will be involved in interviews, surveys and other consultation processes.
76. Consultation arrangements will always be put in place to maximize the quality, relevance, credibility and ultimately uptake of the evaluation through Evaluation Reference Group or Evaluation Management Group. The Reference or Management Groups will serve in an advisory capacity, their main responsibility being to review and comment on the main evaluation outputs (i.e., the TOR Inception Statement, and the draft and final evaluation reports).
77. Key stakeholders will be engaged in the evaluation process as appropriate. Terms of reference should conform to the format described in this policy and also to UNEG standards as well as ST/AI/2021/3 format. The evaluation design and methods should be presented in the inception report which builds on the Terms of Reference (TOR). The evaluation report should meet the reporting standards of UN-Habitat.
78. The evaluation consultants will be responsible for conduct and quality of evaluation products.

XI. Quality assurance System

79. The ST/AI/2021/3 requires all entities to have evaluation-quality assurance system. Quality assurance system is also called for in Standard 5.1 in the UNEG Norms and Standards for Evaluation. Producing high-quality evaluations is key to improving performance, generating knowledge, and supporting accountability and credibility of programmatic results. UN-Habitat has put in place quality assurance mechanisms for its evaluations using quality checklists. Quality assurance should be undertaken for Terms of Reference (TOR), inception reports and evaluation reports.
80. During the design stage of evaluation, the IEU will ensure that the evaluation TOR complies with the UN-Habitat standard template and contains all the necessary elements to guide the consultant or evaluation team of how the evaluation will be conducted.
81. During the final stage of evaluation the evaluation reports will be quality assured against the UN-Habitat quality checklist for evaluation reports, to ensure:
- a) The Executive Summary is a standard alone section with clear structure along the key elements of the report, including the purpose and objectives of the evaluation, methodology, main findings, conclusions, and recommendations
 - b) The background and context of evaluation will be quality assured to ensure the evaluation's subject, context, purpose, objectives and scope are sufficiently clear.
 - c) The methodology used for evaluation clearly describes the rationale for the methodological choice, is appropriate for answering the evaluation questions and address the methodological challenges and limitations.
 - d) The evaluation findings are clearly presented, relevant and based on evidence and sound analysis
 - e) Conclusions are logical, based on findings and substantiated by evidence, and reflect a reasonable judgement of the evaluators in relation to the main evaluation questions
 - f) Recommendations are well- grounded in the evaluation and logically delivered from the findings, are actionable and realistic to implement.
 - g) Cross-cutting issues including gender, human rights, social and environmental safe guards and disability perspectives are integrated and well addressed in the process of the evaluation as well as in the evaluation report.

XII. Reporting and disseminating evaluation results

82. The evaluation report is the key product of the evaluation process. Its purpose is to provide a transparent basis for accountability of results, for decision-making on policies and programmes and for the strengthening of organizational learning. The final evaluation report shall be logically structured and contain evidence-based findings, conclusions, lessons learned and recommendations. The report must:

- a) Include an executive summary.
- b) Introduction
- c) Background and context
- d) Overview of the evaluated intervention.
- e) Purpose, objectives and scope of the evaluation.

- f) Approach and methodology used to collect and analyse information and limitations to the evaluation.
- g) Evaluation findings, answering key evaluations
- h) Conclusions, lessons learned and recommendations

83. All evaluation reports of external evaluations undertaken by UN-Habitat must be made publicly available, except in cases when the reports contain material of a confidential nature. All evaluation reports will be published on the UN-Habitat evaluation website: www.unhabitat.org/evaluation

XIII. Use of evaluation results and follow-up

84. The value of evaluation depends on its use, which is in turn determined by several key factors. These include (but not limited to) relevance of the evaluation, in terms of timing, to make evaluation findings available when decisions are taken; quality and credibility of the evaluation, which derives from independence, impartiality, and are appropriate; acceptance of the evaluation recommendations; and appropriateness of the management response, dissemination and evaluation findings.
85. UN-Habitat will promote the use of evaluation results through a consultative process that involves key stakeholders, including managers and staff in the subprogramme and project being evaluated. UN-Habitat will also ensure that recommendations, findings and lessons learned are considered in programme planning and are integrated into organizational policies and procedures.
86. Communication tools and techniques, in simple and easily understandable formats, including evaluation briefs, dashboards, multi-media, seminars, webinars, etc, illustrating key messages on evaluation findings, lessons learned and recommendations should be prepared to facilitate uptake and use of evaluations by different intended users. In addition, IEU should periodically review evaluation portfolio of both centralized and decentralized evaluations to identify, organize and share lessons learned, good practices and innovations from a range of evaluation products. Discussions on use of evaluations will also take place through Programme Management Committee meetings to ensure management is aware of strategic evaluation issues. Feeding evaluation results into programme planning and implementation should be promoted through Programme Review Committee (PRC) meetings and through consultative processes of preparations of annual work programmes and budgets, and multi-year strategic plans.
87. UN-Habitat will prepare a management response and follow-up action plan to each completed evaluation, in accordance with the Administrative Instruction on Evaluation (ST/AI/2021/3). The management response is a formal written one from the organization response to the evaluation recommendations and ensures the timely and effective use of evaluation results.
88. UN-Habitat management shall participate in the preparation of management response and follow-up action plans. The management response ensures organizational commitment to the implementation of follow-up actions to the evaluation recommendations.
89. The Independent Evaluation Unit will initiate and coordinate the formulation of the management response by seeking inputs from key stakeholders after the completion of the evaluation report. All UN-Habitat evaluation reports should have a dissemination plan at the outset. The Evaluation Unit will maintain an evaluation website and all centralized evaluation reports will be published on the UN-Habitat internal and external evaluation websites.
90. UN-Habitat's management response should include an overall response to the evaluation and respond to each recommendation, whether accepted, partially accepted or not accepted. When the recommendation is partially accepted or not accepted, the reasons should be given.
91. Follow-up on progress in the implementation of the evaluation recommendations will be systematically carried out by the Evaluation Unit and periodically reported to the UN-Habitat management.
92. Utilization of evaluation findings will be encouraged in the formulation of UN-Habitat's strategic plans, annual work programmes, and design of new projects and programmes. Evaluation findings and recommendations shall be followed-up to influence decision-making; and the lessons learned applied to new programme planning, design and implementation of on-going interventions.

XIV. Resources for evaluations

93. An effective evaluation function requires secure and adequate investment in terms of financial and human resources to ensure the development of a professional evaluation function capable of generating credible, quality and evidenced evaluations. Qualified human resources are needed to manage evaluations and to provide effective quality assurance. The Administrative Instruction on Evaluation (ST/AI/2021/3) requires the Executive Director to ensure adequate capacity and resources for evaluation.
94. Budget requirements for the direct funding for evaluation of extrabudgetary projects and programmes must be stipulated in agreements with donors and in project documents in accordance with the guidance in the table 1 below, noting that the indicative standard portion of the evaluation function is from 0.5 to 3 per cent of the total organizational expenditure, as provided in the ST/AI/2021/3. Project managers must ensure that resources for the evaluation function are allocated in their project and programme proposals. This means evaluations of extrabudgetary programmes and projects will be funded directly by the programmes and projects and must have budget provision for evaluation in the planning document, with exemption of those projects and programmes with fund value of less than USD300,000.
95. In cases where the donor or other funding entity, insist on funding evaluations separately, such cases will be explained and justified in the project and programme proposals before the specified project/programmes are exempted from evaluation budget provision in project proposal by the PRC.
96. Detailed breakdown by budget class, is described in the operational revised Evaluation framework 2024.
97. Separate from the direct evaluation funding of programme and project evaluations, the Executive Director shall ensure adequate resources for the Independent Evaluation Unit, for overall management, coordination, quality assurance, follow-up to evaluations.

Table 1 Indicative direct costs for evaluation activities to be included in the preparation of programme and project budgets (in USD)

Budget category	Projects with a total fund volume of less than \$300K	Projects with total fund volume from \$300K and less than \$1M	Projects with total fund volume from \$1M to \$4M	Projects with total fund volume of more than \$4M or with a duration exceeding four years
Indicative budget provision for evaluation	Optional	\$15,000	\$30,000	\$50,000

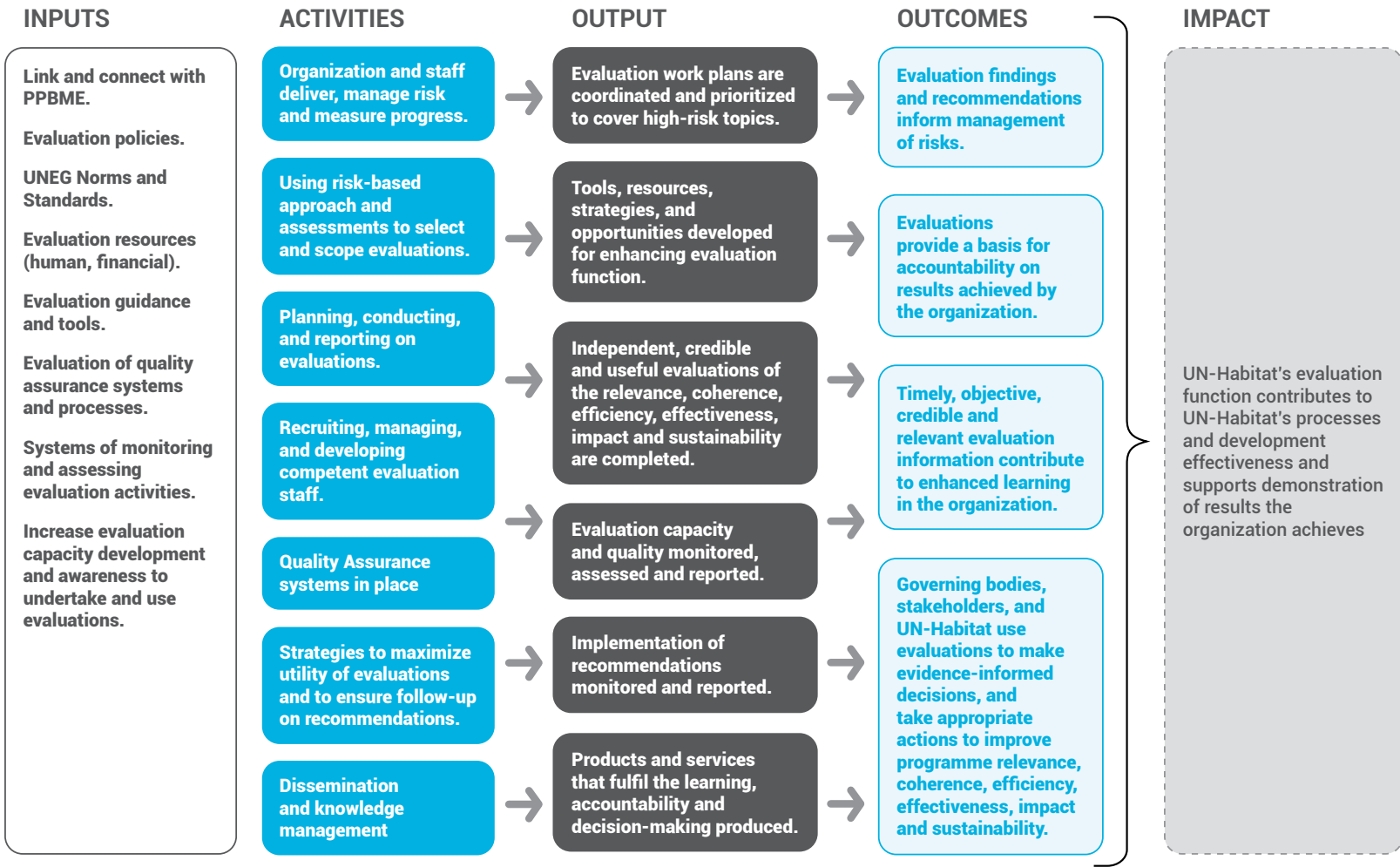
XV. System-wide evaluation and partnerships

98. The evaluation function of UN-Habitat is fully committed to the principles of working better together, through joint efforts. In line with General Assembly resolution 72/279 on repositioning of the UN Development System, the Independent Evaluation Unit will:
- a) Actively participate in the UNES and in the United Nations Development Account evaluation focal point network;
 - b) Contribute to the United Nations system-wide evaluation efforts and coalitions;
 - c) Contribute to joint evaluations with other international and United Nations entities;
 - d) Support the OIOS as SIV evaluation work;
 - e) Seek appointments for collaboration with other United Nations entities in multi-stakeholder partnerships for contributing to National evaluation capacities, in line with the General Assembly resolution 69/237 on building capacity for evaluation of development activities at the country level.

XVI. Operationalization of the evaluation policy

99. This policy comes into force once it is approved by the UN-Habitat's Acting Executive Director. UN-Habitat's ability to fulfill commitments on accountability and institutional learning depends, in large part, on the application of good evaluation practices throughout the organization.
100. No single policy can provide detailed guidance for evaluation of the diverse set of UN-Habitat operations and contexts. Evaluation activities will be operationalized through detailed evaluation framework /guidelines in separate documents. Step-by-step detailed explanation of the evaluation process and methodologies to be used for conducting evaluations are provided in the *UN-Habitat Evaluation Manual* adopted in 2018 (to be revised) .However all the guiding evaluation documents will be linked to this policy.
101. As the policy is implemented, new and better ideas will emerge on how to improve evaluations. Over time, the policy will be reviewed and updated at least every 8 years.

Annex 1: TOC for evaluation function at UN-Habitat



Drivers

- (i) Senior management continued support for evaluation, results-based management and accountability.
- (i) Collaboration with partners and stakeholders.

Assumptions

- (i) Governing bodies of UN-Habitat, management and staff interest appreciate the role of evaluation; use and suncint for evaluation is sustained; (i) Resources are provided and are adequate for an effective evaluation



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