

New York, 15 December 2010

Dear Mr. Chave,

The United Nations Population Fund (UNFPA) wishes to express its appreciation for the 2010 UNFPA MOPAN Common Approach assessment report, which took place in ten countries (Afghanistan, Benin, Colombia, Indonesia, Kenya, Nicaragua, Rwanda, Sri Lanka, Vietnam and Zambia), and benefitted from further dialogue and documentation through UNFPA Headquarters. We do appreciate the effort made by the 16 donors to unify around one survey instrument and were pleased to observe that the overall perception on our performance by the 238 respondents was quite positive, although there were differences between donors at Headquarters and in country and between donors and direct partners, which appears to be consistent with findings from other multilateral organizations. We also wish to reaffirm a key finding of the survey i.e. that: "most of the low ratings from the review of documents were in areas that UNFPA management has recognized and already begun to address".

We also highly appreciate the frank and fruitful discussion on the report that we had at the Permanent Mission of Switzerland to the United Nations on 13 December. We were reassured that the findings were similar to those already reported through the Executive Board and that UNFPA is moving in the right direction to address them.

We were very pleased to read the guidance note to country embassy leads and co-leads on the post survey phase which we understand will take place around February/March 2011 and during which the findings of the MOPAN survey will be presented and discussed in country. We welcome this approach and wish to reiterate the importance of providing feedback at country level as this contributes to continued dialogue from both sides.

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General Observations on the Report

Improved Survey Methodology:

This is the third time that UNFPA has been reviewed by MOPAN and we are very pleased with the considerable improvements in the survey methodology compared with previous assessments in 2005 and 2008. We welcome the move from solely relying on donors' perceptions to also including opinions from UNFPA's direct partners, and the review of documents. However, while the section titled "limitations" highlights some of the challenges of the survey given the sample size, the conclusions read at times as being applicable to the entire organization. This is particularly relevant regarding evaluations, country programme development, and linkages between outcomes and outputs, which are drawn from the review of only five country programmes. In addition, only two of the country programme documents – for Kenya and Afghanistan – were developed during the current cycle of the Strategic Plan. While we acknowledge the need to improve linkages between the Strategic Plan and results at country level and clearly define outcomes and outputs in country programme documents, we believe that such conclusions, which were based on only a few documents and, for the most part, were developed before the current planning cycle, do not necessarily give a representative picture or credit to efforts made since the development of the Strategic Plan.

UNFPA's Strategic Plan as the key assessment tool

We wish to thank the MOPAN members for their considerable efforts in agreeing to a common assessment tool, thus avoiding a proliferation of individual MOPAN member surveys. While we welcome such an endeavour, we also note that some donors are still requesting individual assessments and that these require reports on indicators that are not always aligned with the UNFPA Strategic Framework indicators. Furthermore, UNFPA's administrative capacity to respond to individual requests is limited. As such, we appeal to the MOPAN members to actively participate in the on-going dialogue on the Strategic Plan mid-term review, so as to ensure that the indicators would meet the donor requirements as well as those of UNFPA. We also noted how often donor countries request us to move into new areas without providing the necessary guidance.

Delivering as One:

We acknowledge that the report no longer refers to agencies' decreasing visibility within the context of the "Delivering as One" pilot countries, which, as highlighted in our comments to the 2008 MOPAN report, would be contradictory to the spirit of the "One UN". Nevertheless, a considerable challenge remains in conducting such an assessment within the context of Delivering as One (the survey included two Delivering as One pilot countries, namely Rwanda and Vietnam), given the explicit shift away from discrete agency attribution toward monitoring a comprehensive UN contribution to national development goals. In these countries in particular, substantial efforts have been taken to refrain from disaggregating results by individual agencies, and to focus instead on results being attained against priority issues being addressed by the entire UN. Looking at a single agency, therefore, could be questioned in terms of relevance in the context of Delivering as One.

Specific observations on areas with High Rating

We were pleased to see that UNFPA received strong or adequate scores on all key performance indicators. In particular, the survey showed that UNFPA has a clear mandate, country focus, and good operational management decisions, including in ensuring financial accountability. The survey also recognized the good work being done in supporting national plans and contributing to policy dialogue, articulating human rights and gender perspectives within a results-based management approach. It also highlighted the partners' perspective that see UNFPA as a strong organization in gender issues, both as a substantive area and as a cross cutting one.

The ratings suggest that country offices have the authority to manage programmes and take certain decisions about areas of cooperation. This reflects positively on UNFPA's long-standing position of decentralized authority to UNFPA representatives and recent efforts to restructure support to country programming.

The document review also provided strong ratings to UNFPA for publishing its criteria for allocating core budget resources. Survey responses suggested that its allocations adequately follow those criteria.

Specific Observations on areas for Improvement

We take note of the need to address some long-standing challenges, such as the need to disseminate lessons learned and use of information to improve programming. In particular:

1. **Corporate Focus on Results and Presenting Performance Information:** UNFPA recognizes and is aware of the limitations in its results frameworks, and that there is a need to have more clear definitions of outputs and outcomes and strengthen indicators. This is being addressed in the ongoing mid-term review of the Strategic Plan 2008-2013, which will strengthen the link between outcomes and outputs, and better demonstrate UNFPA's contribution to results.
2. **Adjusting procedures:** While UNFPA was rated as overall adequate in adjusting its procedures, note is taken of MOPAN in-country members' impression that UNFPA could shorten the length of time needed to complete procedures and improve its ability to respond more quickly and flexibly to change. This is being addressed through ongoing efforts to streamline business practices.
3. **Use of country systems:** UNFPA also takes note of country donors' ratings of its use of country systems as inadequate on several indicators, while direct partners provided ratings of strong. As the report indicates, UNFPA uses a national execution (NEX) model – which poses implementation challenges– and UNFPA is making efforts to address these challenges and improve national execution management. We also noted that at times such systems do not exist on the ground and that bilateral and multilateral partners tend to create silos systems to deliver their programmes. More concerted efforts from all parties concerned would be needed on what country systems to develop and how.

4. Use of performance information and performance oriented programming: To better use performance information in reporting to the Executive Board and preparing country level programming documents, and supporting decision-making about country programming, efforts are underway to improve results-based management and evidence-based programming.
5. Disseminating lessons learned: Efforts are also underway to improve the use of lessons learned, including especially the utilization of evaluations. A new knowledge platform has recently been launched, which includes several communities of practices for thematic areas (including results-based management and evaluation).
6. Reporting on Paris Declaration indicators: UNFPA provides direct input on its performance against the indicators of the Paris Declaration through two common mechanisms: 1) The periodic OECD-DAC surveys on compliance with the Paris Declaration principles at country level; 2) The annual International Health Partnership and related initiatives mutual accountability surveys that measure progress against the indicators of the Paris Declaration adapted for the health sector.

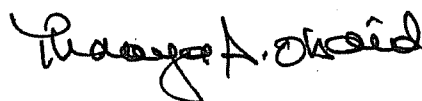
In general, UNFPA management has recognized and already begun to address these areas, with numerous concrete actions planned or underway. However, it must be emphasized that it will take some time before the impact of these measures can be seen. UNFPA is also constantly consulting with partners, especially with the Executive Board, in the process of improving in these areas. In particular:

UNFPA has developed in 2010 an *Enterprise Risk Management (ERM) framework* to strengthen overall accountability throughout the organization and guide the identification of areas requiring stricter controls and compliance. A global ERM implementation and integration plan was put in place in December 2010 that includes a Strategic Risk Assessment at the global level, and risk assessment activities for Regional and Country Offices.

The ERM Framework will also be embedded into the annual planning cycle as part of the process of ensuring that risk is used as a decision-making tool at all levels of operations. This will build upon the ERM Strategy and Policy that are currently being developed. Regular monitoring of ERM activities and follow-up on mitigation plans will be ensured by UNFPA's Executive Committee (the highest internal decision-level making body in UNFPA), which will convene quarterly as the Risk Board starting in 2011.

UNFPA wishes to thank the MOPAN team once again for the privilege of being part of the 2010 exercise and ongoing collaboration to further improve performance.

Yours sincerely,



Thoraya A. Obaid
Executive Director
United Nations Population Fund