



UNEG Peer Review of the Evaluation Function of UNIDO

This report presents the result of the peer review of the UNIDO evaluation function. The peer review adheres to the UNEG assessment modality 1 'Peer-Validated Self-Assessment' (PVSA).

The Peer Review was undertaken between July and November 2025 and was led by a Panel was comprised of three senior staff of UNEG entity evaluation functions and one senior international consultant.

The final report was submitted to UNIDO on 4 December 2025.

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Acronyms

DAC	Development Assistance Committee
EIO	Evaluation and Internal Oversight
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
IAEA	International Atomic Energy Agency
IDB	Industrial Development Board
IEU	Independent Evaluation Unit
ILO	International Labour Organization
ISID	Inclusive and Sustainable Industrial Development
MAP	Management Action Plan
M&E	Monitoring and Evaluation
OC	Operations Committee
ODA	Official Development Assistance
OECD	Organization for Economic Development and Cooperation
OIOS	Office for Internal Oversight Services
QA	Quality Assurance
RBM	Results-based Management
SDG	Sustainable Development Goals
TC	Technical Cooperation
ToR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNIDO	United Nations Industrial Development Organization

Abstract

This report presents the result of the peer review of the UNIDO evaluation function. The peer review adheres to the UNEG assessment modality 1 ‘Peer-Validated Self-Assessment’ (PVSA).

The Peer Review Panel was impressed by the high level of professionalism demonstrated by the personnel of UNIDO’s Office of Evaluation and Internal Oversight (EIO) and its Independent Evaluation Unit (EIO/IEU), and by the strong appreciation expressed by many stakeholders for the maturity of UNIDO’s central independent evaluation function. The Peer Review Panel broadly concurs with EIO’s self-assessment, though certain aspects appear to warrant further amplification as areas for attention and improvement.

The Panel makes several suggestions to further strengthen the independence, utility and credibility of the evaluation function and to ensure predictable funding for the discharge of EIO evaluation mandates and functions. The Panel also makes suggestions to strengthen the EIO’s contribution to UNIDO’s self-evaluation function. Several suggestions may have implications for the UNIDO Charter of the Office of Evaluation and Internal Oversight and/or the Evaluation Policy.

1. About the peer review

1. This report presents the result of the peer review of the UNIDO evaluation function. Peer reviews of evaluation functions are a well-established mechanism within the United Nations Evaluation Group (UNEG). The UNEG Peer Review Working Group provides guidance and oversight to members interested in these external voluntary assessments.

2. The starting point for this peer review was the self-assessment of the maturity level of UNIDO's evaluation function (July 10, 2025), prepared by the Office of Evaluation and Internal Oversight (EIO). The UNEG self-assessment template provides a structured framework for assessing the extent to which an evaluation function aligns with the UNEG Norms and Standards for Evaluation across 14 core evaluation norms and 53 performance dimensions.

3. This peer review adheres to the UNEG assessment modality 1 'Peer-Validated Self-Assessment' (PVSA). As such, it was a lighter exercise than the 'Standard' UNEG Peer Review.¹

4. The overall purpose of the peer-review was to assess the maturity of UNIDO's evaluation function against UNEG Norms and Standards. The main scope of the peer-review was to determine if the evaluation function and its products are independent, credible, and useful for learning and accountability purposes. The peer-review identified areas of strength and opportunities for development across institutional arrangements, methodological practice, and use of evaluation.

5. The Peer Review Panel was composed of:

- Mr. Arild Hauge, former Deputy Director of Evaluation at UNDP, Chair of the Peer Review Panel, Oslo
- Ms. Barbara Torggler, Head of Programme Evaluation at IAEA, Vienna
- Mr. Carlos Tarazona, Senior Evaluation Officer at FAO, Rome
- Mr. Urs Zollinger, Independent Advisor, Zurich

6. The Peer Review Panel systematically reviewed the UNIDO self-assessment, including the supporting evidence provided and key documents such as the EIO Charter (December 2020) and the Evaluation Policy (September 2021). Based on this analysis, the Panel identified areas for further probing and formulated follow-up questions ahead of the Panel's visit to UNIDO headquarters from September 29 to October 1, 2025.

7. As part of the preparatory work, the Peer Review Panel also met with members of the Independent Oversight Advisory Committee (OAC), had an introductory meeting with EIO staff, and undertook a quality assessment of a structured sample of EIO evaluation reports.²

¹ UNEG Guidelines for Professional Peer Reviews, No. 2023.

² The assessment was shared with EIO in a separate document.

During the visit to UNIDO, the Peer Review Panel interacted with two dozen stakeholders, including Member States representatives (representing the Chair and vice-chairs of the Industrial Development Board), senior management, project managers, country representatives (online), and EIO staff. The onsite visit ended with a peer exchange with the EIO Director and the evaluation office team.

8. The findings of this peer review are based on the analysis of the documentation provided, stakeholder testimony and the expert opinion of the Panel members. It offers suggestions for issues warranting further consideration to strengthen the UNIDO evaluation function, particularly in the context of the upcoming revision of the Charter and the Evaluation Policy.

2. Achievements

9. The Peer Review Panel was impressed by the high level of professionalism demonstrated by the personnel of UNIDO's Office of Evaluation and Internal Oversight (EIO) and its Independent Evaluation Unit (EIO/IEU), and by the strong appreciation expressed by many stakeholders for the maturity of UNIDO's central independent evaluation function. This is particularly noteworthy given that the EIO/IEU is relatively small compared to the evaluation offices of other UN specialized agencies and has been understaffed in recent years.

10. The Peer Review Panel would like to highlight the following achievements:

- a. The established normative framework is largely in line with the UNEG Norms and Standards, in particular the Charter of the Office of Evaluation and Internal Oversight (EIO) (Dec. 2020), the Evaluation Policy (Sept. 2021), and the EIO Strategy 2025-2029 (Feb. 2025).
- b. The independence of the EIO, including the EIO/IEU, is recognised by all stakeholders. Its location in the current organisational structure, and its dual reporting to the Director-General (administratively) and to the IDB (functionally), is adequate. However, the Panel points towards some possible measures to protect and further strengthen its functional and operational independence.
- c. The EIO's evaluation function has produced a significant number of evaluative products, including strategic and thematic evaluations, country programme evaluations, project/programme evaluations, synthesis reports, infographics and newsletters (EvalNews).
- d. Many stakeholders appreciated the usefulness of these evaluations, in particular citing strategic evaluations such as the evaluation on the UNIDO Global Positioning and Thought Leadership in ISID (2025), the strategic evaluation of Knowledge Management in UNIDO (2024), the evaluation of the UNIDO Programme for Country Partnership (PCP) framework (2023), and the thematic evaluation of UNIDO Field Network (2019).

- e. The EIO's evaluation function was able to respond to the increasing demand for final project evaluations, in large part thanks to the standardisation of its procedures, as reflected in the Evaluation Manual (Revision Aug. 2024), various templates (e.g., for ToR, final reports), the Standard Operating Procedures (SOP), tracking tools and the database with Management Action Plans.
- f. The quality of most evaluation reports is satisfactory, which is a non-trivial achievement in view of the volume of reports produced with limited human and financial resources.
- g. The combination of the existing normative framework together with the success in establishing a dedicated and professional team provides an excellent basis for undertaking the few further calibrations needed to ensure maximum impact of the Office and function.

3. Key areas for UNIDO attention

11. The Peer Review Panel broadly concurs with EIO's self-assessment, though certain aspects appear to warrant further amplification as areas for attention and improvement. The following section presents the Peer Review Panel's reflections on areas that may warrant UNIDO's attention to further strengthen the independence, utility, credibility, and resourcing of the evaluation function.

3.1 Independence (UNEG Norm 4)

3.1.1 Findings

12. Most stakeholders currently recognize the independence of the EIO. However, several aspects impede fully satisfactory structural, operational and behavioural independence, as also identified in the self-assessment.

13. Location and reporting lines: In the current organizational structure, the EIO is located with a dual reporting line to the Director-General (administratively) and to the IDB (functionally). The Director General approves the work plan and the EIO operational budget. He also appoints the Director, EIO in consultation with the Independent Oversight Advisory Committee as provided in the EIO Charter. As per UNIDO Staff rules and regulations, the Director General formally appoints all staff, i.e. including the personnel of the EIO/IEU. The Panel notes that the UNIDO organizational restructuring undertaken in 2021, which includes adaptations to the location and reporting lines of EIO and EIO/IEU, has yet to be fully reflected in the Evaluation Policy and Charter.

14. A higher level of maturity would require the governing body, in the case of UNIDO, the Industrial Development Board (IDB), to be the entity to approve the work plan and budget, and to appoint the Director of EIO, as is the case, for instance, in UNDP and other specialized agencies (IFAD) and programmes (WFP). Some members of the IDB met by the Panel were of the view that this would be an ideal situation for UNIDO, as the function should primarily address the needs of Member States. However, in practice, the UNIDO setup is comparable to those of other UN agencies, such as the IAEA and UNESCO. Given its size, it may be challenging - from a governance and capacity perspective - to justify the existence of a separate Independent Evaluation Office reporting only directly

to the Governing bodies. Accountability directly to the IDB might, in practice, involve considerable risk and vulnerability, e.g. that substantive evaluation matters are politicized. Both modalities have pros and cons.

15. Though differences of view exist among IDB members, the Panel considers that the current structural setup has not been an impediment for the Director, EIO, to exercise functional and behavioural independence. However, such independence depends to some extent on the goodwill of the Director General, who currently places no restraints on EIO presenting evaluation findings to Member States in its annual report and through other means. It is also noted that the EIO Charter provides the Director, EIO, with the authority to report to the IDB in the event of impairment of its independence. In any event, monitoring and protecting the independence of EIO is important.

16. Strategic planning and funding of evaluations: The Peer Review Panel noted with satisfaction that the EIO is revising its approach to developing the evaluation work plan. The EIO appropriately intends to further focus more on strategic evaluations and to reduce the number of project/programme evaluations being managed by the EIO, for which it often has an inadequate budget and means of quality assurance. The move in this direction was acknowledged by different interlocutors – and is supported by the Panel.

17. While project/programme evaluations draw on the budgets of the respective projects and programmes, the current operational budget, from which funds for strategic evaluations (including core evaluation and cross-cutting activities, as well as backstopping of independent project evaluations) are derived, is at the discretion of the Director General. In recent years, this annual envelope for EIO evaluation work plans has ranged from EUR 250,000 to EUR 300,000. There are no formal safeguards for the EIO budget, which contravenes the Charter. Currently, the EIO must submit an operational budget request every year. The UNIDO Director General's office informed the Peer Review Panel that adequate funding has been made available upon request, as confirmed by the EIO Director. However, there is no certainty that this will continue with another administration.

18. In many UN agencies, a certain percentage of the organizational budget is automatically allocated to the central evaluation function. For example, FAO allocates 0.8% of the regular budget to the central evaluation function. UNESCO aims to allocate 3% of the regular programme resources to the central evaluation function. ILO aims to allocate 1.5% to 2% of total expenditures (regular budget and extra-budgetary activities) for central and decentralized evaluations.³

19. UNIDO should revise its budget allocation process to ensure predictable funding for the discharge of EIO mandates and functions, which may have cycles spanning several budget years. These evaluations are important as they address UNIDO's key learning and accountability needs.

20. Staff recruitment is another impediment to full independence. The Peer Review Panel noted with concern that, for example, a P3 post was frozen for a considerable period in the past. For an evaluation office with only four staff members, this is a severe constraint, even if the vacant post was

³ See section on resources below for a more thorough analysis.

partly filled with consultants. An independent evaluation office requires a protected number of staff to perform its function; otherwise, its analytical output will slow down.

21. At the time of the Peer Review, the post of the Chief EIO/IEU (P5 level) was still vacant. The Peer Review Panel was thus not in a position to establish the level of empowerment and visibility of the Chief EIO/IEU. During the interviews, however, it became evident that the Director of EIO was perceived as the “face” of the evaluation function, while little reference was made to the Chief EIO/IEU. It is important for the evaluation function overall, and the Chief EIO/IEU in particular, to have appropriate visibility within the organization. This helps clarify the value added that evaluation brings to UNIDO and the differences between evaluation and audit in terms of purpose and approach.

22. While the structural, financial, and operational independence of the evaluation function could be strengthened, the Panel noted that the behavioural independence practised by EIO personnel is strong. There are some indications from the interviews with stakeholders that, at times, the engagement with the evaluands around recommendations could be strengthened to ensure the maximal usefulness of the recommendations.

23. The EIO was granted the right to attend the Operations Committee (OC) meetings as an observer. The OC is the approving authority of about 200 project/programme submissions per year. In view of this high number, which would take EIO considerable time to review, and to protect its independence, the EIO has opted for a ‘silent’ observer role in the OC meetings. However, the Panel is of the view that the observer role does not need to mean silence. As envisioned in the Evaluation Policy (para. 32), the Panel encourages the EIO to play a more proactive ‘advisory’ role to Management, as participation in this type of initiatives offers an opportunity to increase the evaluation function’s usefulness to the Organization, e.g., by providing advice on the evaluability at an early stage of programmes/projects, and by helping identify and embed lessons and good practices from evaluations in new programmes.

3.1.2 Peer review suggestions

24. The Peer Review Panel makes the following suggestions to strengthen the independence of UNIDO’s central evaluation function. The asterisk (*) indicates potential implications for the Charter and/or the Evaluation Policy.

- (1) Financial independence: UNIDO should safeguard the budget for the central evaluation function and allocate a specific percentage of the UNIDO budget to it (see more under the section Resources).*
- (2) Selection and appointment of the Director of EIO: The IDB should be directly involved in the selection process and appointment and/or termination of the EIO Director. Moreover, the term of the EIO director should be limited, for instance, to six years (non-renewable), to further enhance/ensure behavioural independence. This will align UNIDO with recruitment practices for heads of oversight functions in other specialized agencies of the UN system.*
- (3) Work plan: The IDB should approve the EIO work plans to ensure it is aligned with the strategic needs of the organization.*

- (4) EIO Staffing and posts: EIO posts should be protected from hiring freezes, and the Director of the EIO should be authorized to approve the selection of its staff.
- (5) Evaluation visibility: The evaluation function should have greater visibility in the Organization to better distinguish between audit and evaluation, and to emphasise the benefits of evaluation for learning and decision making.
- (6) Operations Committee and other relevant mechanisms: EIO should play a more proactive role in these mechanisms to help management ensure that findings from evaluations are being considered in programme development and decision-making. For example, the EIO could pick a sample of large strategic projects for in-depth evaluability assessment. In doing so, the EIO should clearly state to stakeholders the distinction between their advisory and independent oversight modalities of engagement.

3.2 Utility (UNEG Norm 2 and Norm 14)

3.2.1 Findings

25. Overall, the Peer Review Panel found that the evaluation function has demonstrated its usefulness to many stakeholders, but it can be further enhanced. Below, the Peer Review Panel offers a few reflections.

26. Given the current context of shrinking ODA, development organizations are under increasing pressure to demonstrate their relevance by credibly demonstrating their unique value in affecting ultimate development results, be it at outcome or impact levels. This requires assessing higher-level results achieved. Member States are more interested in the bigger picture than in individual project anecdotes. What is UNIDO's contribution to industrial development? What is UNIDO's contribution to the SDGs under its responsibility? How is UNIDO contributing to cross-cutting areas, such as climate change and social inclusion, within its mandate? What is UNIDO's comparative advantage within the UN system?

27. The EIO has recognised this challenge and intends to conduct fewer project evaluations and more strategic, thematic, impact or country evaluations. Some recent products are testimony to its efforts to measure higher-level results, such as the evaluability assessment of UNIDO's contribution to SDG 9 (2024), or the impact evaluation of UNIDO's industrial energy efficiency programme (2019). Moreover, the EIO is testing methodologies such as “impact harvesting” that will allow more in-depth assessments. However, measuring higher-level results, in particular impact, is not only methodologically challenging but also costly. UNIDO could partner with other development actors – or academia - to undertake joint evaluations or focus on some areas where the evidence gaps merit an investment in assessing long-term results. Recent technological developments, such as Artificial Intelligence (AI), enable rapid analysis of evaluative information from large datasets for thematic ‘synthesis’ or ‘meta’ studies.

28. The usefulness of the evaluation function also depends on the perceived role it plays. The Peer Review Panel found that some UNIDO staff viewed the evaluation function as a “police” or control-oriented function, focusing on “what went wrong.” Evaluations were seen as

compliance/accountability exercises that staff had to deal with despite their already busy schedules. However, the evaluation function is as much about learning as it is about accountability and needs to be undertaken and promoted accordingly. Evaluations are intended to address the causal chain from objectives and resources through to outputs, outcomes and impact. Evaluations should be welcomed, as they provide an opportunity for learning and improvement based on robust evidence. As the EIO continues to uphold the learning and accountability imperatives of the evaluation function, the Panel is of the view that the learning dimension is currently in particular need of attention.

29. The usefulness of evaluation recommendations, which are closely related to the learning and accountability dimensions, is a concrete area that appears to require attention. Some of the evaluation recommendations are perceived as unrealistic and difficult to implement, suggesting little stakeholder buy-in, possibly related to insufficient engagement or inadequate consideration of resource needs. While Management is free to accept or reject recommendations. The introduction of Management Action Plans (MAPs) for all EIO strategic evaluations has addressed the issues of buy-in and engagement by management. The implementation of Management Action Plans (MAPs) is to be monitored until full implementation.

30. Lastly, the Peer Review Panel found that standardising evaluations of projects may have had an impact on their credibility and potential usefulness. Currently, each project evaluation needs to assess 14 evaluation criteria. This is not a requirement of the UNEG Norms and Standards, and it prevents evaluations from prioritising issues and questions that stakeholders find most salient to the projects at hand. Flexibility in applying evaluation criteria and a greater focus on relevant evaluation questions could enhance the usefulness and credibility of evaluations.

3.2.2 Peer review suggestions

31. The Peer Review Panel makes the following suggestions to strengthen the utility of the evaluation function.

- (7) Revise the criteria for the selection of the strategic evaluations to be more future-oriented, to focus more on measuring higher-level results, and to demonstrate better, in an evidence-based way, UNIDO's comparative advantage to Member States. Focusing on higher-level results will also ensure aligning evaluations to key strategic areas that need evaluative analysis and evidence to inform the Organization for better decision making.
- (8) Emphasize the learning function of evaluations by engaging with stakeholders throughout the evaluation process, and by focusing on client-relevant evaluation questions instead of a comprehensive set of pre-defined criteria. This may translate into more realistic and actionable recommendations, with MAPs being fully developed and owned by the responsible line entities. At the same time, EIO should keep developing tailored products for different needs (e.g., Management briefs) and strengthen its advisory role, e.g. to the Operations Committee. Keep flexibility in applying evaluation criteria and a greater focus on relevant evaluation questions to further enhance the usefulness of evaluations.

3.3 Credibility (UNEG Norm 3)

3.3.1 Findings

32. Overall, the credibility of the central evaluation function is solid. The EIO evaluation team is regarded as a dedicated team with high professional standards, operating independently with qualified external experts and producing mostly quality products. Nevertheless, the Peer Review Panel has identified a few areas that merit attention.

33. While the Peer Review Panel is impressed by the volume of products accomplished by the comparatively small team, given limited human and financial resources, a clear prioritisation of the work is essential to ensure the production of credible reports. The Peer Review Panel supports the EIO's intention to reduce the number of project evaluations and to focus more on strategic evaluation. To do so requires predictable financial resources (see the section below on resources), as well as a professional workforce with a recognised career and professional background in evaluation and able to lead complex evaluations of UNIDO's work.

34. The current situation regarding the appointment of EIO evaluation staff is unsatisfactory. The evaluation function's ability to produce high-quality reports was compromised by the prolonged freezing of one professional evaluation post (P3 level). Additionally, there have been instances when staff with no evaluation experience or background were assigned to the Evaluation unit. For the evaluation function to succeed, especially given the shift to strategic evaluations, it requires qualified staff who can credibly lead these exercises.

35. The Peer Review Panel assessed the quality of six EIO evaluation reports (three strategic and three project evaluations). The quality of this small sample is respectable, particularly given the EIO's limited human and financial resources. It is obvious from the assessment that reports are standardised to some extent through several templates, which ensure a certain level of comparability and quality. None of the six reports was found to be of poor/weak quality. At the same time, none stood out in terms of quality. Some of the weaknesses are common across the reports (e.g., relatively weak conclusions).

36. The Peer Review Panel considers that the need to assess numerous evaluation criteria has limited the potential for in-depth analysis of a few prioritised criteria or evaluation questions. Moreover, the inconsistent application of the internal quality assurance mechanism for EIO-managed evaluations has at times resulted in sub-optimal reports being issued. Some EIO evaluation personnel observed that the QA mechanism, an internal peer review, is not always effective in improving report quality as it is applied primarily at the final stage, before publication, rather than at key points throughout the evaluation process (i.e., before finalizing the TOR, inception report and final report), as recommended in UNEG guidance. Furthermore, quality assurance sometimes suffers from a lack of staff time and/or the capacity to undertake it properly.

3.3.2 Peer review suggestions

37. The Peer Review Panel makes the following suggestions to strengthen the credibility of the central evaluation function. The asterisk (*) indicates potential implications for the Charter and/or the Evaluation Policy.

- (9) Continue with the current Evaluation planning approach, to reduce and prioritise the number of products, in particular of non-strategic project evaluations, by giving priority to evaluations that respond to expressed organizational interest with inputs from Member States and senior management, and that focus on higher-level strategic issues and results.
- (10) Apply flexibility in the use of evaluation criteria in project evaluations by prioritising key evaluation questions as per UNEG guidance.*
- (11) Improve the quality assurance mechanism for EIO-managed evaluations by strengthening it at an early stage in accordance with UNEG Standards. Quality assess ToR, inception reports (when prepared by external teams) and draft final reports before they are distributed outside EIO. Consider establishing an external quality assurance mechanism to gain a sufficiently challenging perspective, given the small size of the evaluation team.
- (12) Assure that all EIO evaluation personnel, including the Chief EIO/IEU, have adequate skills, competencies and background in evaluation, as requested in the Evaluation Policy.

3.4 Self-evaluations

3.4.1 Findings

38. Since the promulgation of the UNIDO Monitoring and Reporting Policy (DGB/2021/14 of 6 October 2021), all projects have to conduct a terminal evaluation. The evaluations can be managed by the EIO (independent evaluations) or by the project/programme managers (self-evaluations). Self-evaluations are conducted either by project/programme managers themselves or by external consultants hired by the managers. In several other UN agencies, the external self-evaluations are referred to as decentralised evaluations.⁴ In 2025, UNIDO had about 60 projects subject to mandatory evaluations. Some (12) were selected by EIO for independent project evaluations managed by EIO based on a set of criteria, while the others were self-evaluated.

39. It is not evident to the Peer Review Panel why all projects are individually required to undergo an evaluation. It may not be the best use of limited resources for evaluation. Many specialized agencies and donors use financial thresholds as criteria for identifying the projects to be evaluated. At the FAO, the threshold for undertaking a separate project evaluation is USD 6.2m, while at the IAEA, it is EUR 2m for regional technical cooperation projects. The Panel suggests establishing a financial threshold above which all projects must be evaluated, either through an external evaluation managed by the project manager (self-evaluation) or through an evaluation managed by EIO (independent evaluation). It is the prerogative of EIO to decide which, and how many, project evaluations it wants to take on. Due to limited resources and a focus on strategic evaluations, the EIO intends to reduce the number of project/programme evaluations managed by the Office, an approach the Panel sees as appropriate. Most evaluations of projects/programmes – above the financial threshold – should be managed by project/programme managers and conducted by external evaluators.

⁴ Mapping Decentralized Evaluation Functions Across UN Agencies, June 2025

40. Terminology is important. Self-evaluations at UNIDO can take two forms: They are either conducted internally by the project/programme managers or commissioned to external consultant evaluators. In reality, the internally conducted evaluations hardly qualify as “evaluations” because they do not meet UNEG evaluation Norms and Standards for independence (Norm 4), impartiality (Norm 5) and data triangulation (Standard 4.5). In this regard, the recently published UNIDO Technical Cooperation (TC) Manual (June 2025) refers to self-evaluations as ‘reviews’ (p. 146). Internally conducted self-evaluations are called ‘internal reviews’ and externally conducted self-evaluations are referred to as ‘externally conducted reviews’ (p. 141, footnote). The Peer Review Panel considers these terms more appropriate and notes that the Evaluation Policy (2021) is not aligned with the TC Manual (2025).

41. The recently established Division of Strategic Programming, Results Monitoring and Quality Assurance in the Directorate of Strategic Planning, Programming and Policy is supposed to be responsible for the quality control of self-evaluations. The Panel understands that current thinking is for the EIO to distance itself from the self-evaluations and to exert quality control of self-evaluation on a sample basis only. The Peer Review Panel is of the view that this may not be sufficient and that the EIO, being the centre of competence on evaluation in UNIDO, should instead set and help uphold quality standards and perform appropriate assurance of the quality of “external self-evaluations” – subject to being provided adequate resources for such work.

42. Given the relatively high number of projects implemented by UNIDO, the Peer Review Panel considers that the full scope of its programming merits appropriate evaluative scrutiny, and that developing a substantial body of high-quality self-evaluations would strengthen the organisation’s work. Such reviews can also enhance the evidence base for corporate and/or synthesis evaluations.

3.4.2 Peer review suggestions

43. The Peer Review Panel makes the following suggestions to strengthen the EIO’s contribution to UNIDO’s external self-evaluation function. The asterisk (*) indicates potential implications for the Charter and/or the Evaluation Policy.

- (13) UNIDO could consider setting a financial threshold for projects/programmes to be evaluated, either through an external evaluation managed by the project manager (self-evaluation), or through an evaluation managed by EIO (independent evaluation). Having a smaller sample of projects/programmes with a mandatory external evaluation will also facilitate the assessment of their strategic value and potential inclusion in the EIO evaluation work-plan. The responsible entity for a project/programme with a budget over the financial threshold could engage with the EIO to identify the most appropriate way to address the evaluation requirements, including the possibility of covering the said project/programme through another modality (see section below).^{5*}

⁵ Binding obligations to donor requirements have to be respected by UNIDO. However, even donor needs could perhaps be satisfied by well-focused thematic or clustered evaluations, yielding greater decision-making salience as well as lower transaction costs as compared to multiple, individual and discreet project evaluations. UNIDO may wish to sit down with partners to discuss coverage of donors’ interest through such modalities.

- (14) Align the terminology of the Evaluation Policy (2021) with the Technical Cooperation (TC) Manual (June 2025). In particular, change the name of the
- “self-evaluation” to “review”*
 - “internal self-evaluation” to “internal project review”*
 - “external self-evaluation” to “external project review” or “external project evaluation”.*
- (15) Recommends that the EIO, being the centre of competence on evaluation in UNIDO, should help set standards and perform quality assurance of the “external project evaluations”, provided it is adequately resourced to support such work.

3.5 Resources (UNEG Norm 13)

3.5.1 Findings

44. The EIO evaluation function comprises four staff members and has an operational budget of approximately EUR 250,000 to EUR 300,000 per year. The EIO evaluation function involves annual costs of approximately EUR 1 million, including operational and regular staff costs (Table 1), equivalent to approximately 0.3% of UNIDO’s total annual budget of EUR 310 million.⁶

45. In addition to the EIO Evaluation budget, UNIDO has financial resources for self-evaluations of projects/programmes. The total budget for self-evaluations is unknown. What is known is that EIO manages approximately 10-15 independent project/programme evaluations per year, with an average budget of around Euro 30,000 to 40,000 per evaluation, totalling between Euro 300,000 and 600,000 per year. However, this budget remains with the project managers.

⁶ UNIDO budget for the biennium 2024-2025 is Euro 619 million, i.e. about Euro 310 million per year, including the regular budget (net), the operational budget (net) and the technical cooperation (extrabudgetary), Source: IDB.51/6–PBC.39/6*, 27 February 2023.

46.

Table 1: Resources of the Independent Evaluation Unit (EIO/IEU)	
Type of resource	Available resources
Staff costs	1 P5, 1 P4, 1 P3, 1 G6 = 4 staff members EUR 700,000 ¹⁾
Operational budget (average of the last four biennia)	EUR 250,000 to 300,000 per year
Total IEU annual budget	Approx. EUR 1 m
Budget for independent project evaluations conducted by IEU (funds managed by the project manager, not by IEU)	Average EUR 30,000 to 40,000 per evaluation 10-15 evaluations per year Total approx. EUR 300,000 to 600,000
Total resources, including human resources	Approx. EUR 1,25 m to 1,6 m
¹⁾ Estimated by the Peer Review Panel, based on UN standards ⁷	

47. The EIO annual evaluation budget of approx. EUR 1m is approx. 1% of the UNIDO regular and operational budgets of EUR 103m (2024)⁸, not counting the Technical Cooperation (extrabudgetary) Budget of EUR 221m (2024). At UNESCO, the comparable target, for the evaluation function alone, is 3% of the regular budget.⁹ At FAO, the comparable target, again specifically for evaluation, is 0.8¹⁰, although the overall FAO budget is larger. Smaller agencies require a larger % to perform the central evaluation function.

48. EIO's primary evaluation resources are its four staff members, who account for roughly 70% of its own resources of approximately EUR 1 m. The EIO, therefore, needs to carefully consider how its staff are deployed. The Peer Review Panel supports EIO's intention to reduce the number of EIO-managed project evaluations and to allocate staff more strategically to thematic or impact evaluations. Moreover, the Peer Review Panel notes that not all donors of UNIDO projects and programmes require individual evaluations. Furthermore, some projects/programmes being subject to external self-evaluation may benefit from an enhanced role of EIO in quality assurance (see section on self-evaluations).

⁷ United Nations Common System of Salaries, Allowances and Benefits, International Civil Service Commission, February 2022.

⁸ UNIDO Programme and budgets 2024–2025, IDB.51/6–PBC.39/6*

⁹ UNESCO Evaluation Policy 2022-2029, p. 8.

¹⁰ Charter for the FAO Office of Evaluation, para 44 <https://www.fao.org/4/mp046e/mp046e.pdf>

3.5.2 Peer review suggestions

49. The Peer Review Panel makes the following suggestions to enhance the resource base of UNIDO's evaluation function. The asterisk (*) indicates potential implications for the Charter and/or the Evaluation Policy.

(16) UNIDO should allocate appropriate funding to the evaluation function (central evaluation function and "self-evaluations").

- **Central evaluation function:** The funding of the central evaluation function should be predictable. UNIDO should allocate a fixed percentage of 1 - 3 % of UNIDO's regular and operational budgets to the EIO evaluation function at the time of budget approval. This budget would be used for the EIO core evaluation tasks, such as strategic, thematic, impact or country evaluations, as per EIO's Evaluation workplan, as well as in response to Management and Governing bodies' requests. Also, resources for independent project/programme evaluations managed by EIO should be made available in full to the EIO. Furthermore, to ensure the central evaluation function focuses on strategic issues in the future, major project-related services should be provided on a full cost-recovery basis and/or using pooled resources.*
- **Decentralized evaluation function:** Whilst all UNIDO projects and programmes should have appropriate resources for evaluation, not all projects must undergo an external evaluation. If, e.g. a project or programme is below a given financial threshold, an external evaluation may not be required. Evaluation provisions from projects not subject to external evaluations should nevertheless be made available to EIO, through an evaluation "trust fund" or other arrangement under EIO management. These pooled resources could be used to conduct selected outcome or impact level evaluations of clusters of projects with similar characteristics (same donor, theme or geographic area).*

3.6 Overview Peer Review Suggestions

50. The following table provides an overview of all peer review suggestions.

Norm/topic	#	Suggestion
Independence	1	Financial independence: UNIDO should safeguard the budget for the central evaluation function and allocate a specific percentage of the UNIDO budget to it (see more under the section Resources). *
	2	Selection and appointment of the Director of EIO: The IDB should be directly involved in the selection process and appointment and/or termination of the EIO Director. Moreover, the term of the EIO director should be limited, for instance, to six years (non-renewable), to further enhance/ensure behavioral independence. This will align UNIDO with recruitment practices for heads of oversight functions in other specialized agencies of the UN system. *
	3	Work plan: The IDB should approve the EIO work plans to ensure it is aligned with the strategic needs of the organization. *
	4	EIO Staffing and posts: EIO posts should be protected from hiring freezes, and the Director of the EIO should be authorized to approve the selection of its staff.
	5	Evaluation visibility: The evaluation function should have greater visibility in the Organization to better distinguish between audit and evaluation, and to emphasize the benefits of evaluation for learning and decision making.
	6	Operations Committee and other relevant mechanisms: EIO should play a more proactive role in these mechanisms to help management ensure that findings from evaluations are being considered in programme development and decision-making. For example, the EIO could pick a sample of large strategic projects for in-depth evaluability assessment. In doing so, the EIO should clearly state to stakeholders the distinction between their advisory and independent oversight modalities of engagement.

Utility	7	Revise the criteria for the selection of strategic evaluations to be more future-oriented, to focus more on measuring higher-level results, and to demonstrate better, in an evidence-based way, UNIDO's comparative advantage to Member States. Focusing on higher-level results will also ensure aligning evaluations to key strategic areas that need evaluative analysis and evidence to inform the Organization for better decision making.
	8	Emphasize the learning function of evaluations by engaging with stakeholders throughout the evaluation process, and by focusing on client-relevant evaluation questions instead of a comprehensive set of pre-defined criteria. This may translate into more realistic and actionable recommendations, with MAPs being fully developed and owned by the responsible line entities. At the same time, EIO should keep developing tailored products for different needs (e.g., Management briefs) and strengthen its advisory role, e.g. to the Operations Committee. Keep flexibility in applying evaluation criteria and a greater focus on relevant evaluation questions to further enhance the usefulness of evaluations.
Credibility	9	Continue with the current Evaluation planning approach, to reduce and prioritize the number of products, in particular of non-strategic project evaluations, by giving priority to evaluations that respond to expressed organizational interest with inputs from Member States and senior management, and that focus on higher-level strategic issues and results.
	10	Apply flexibility in the use of evaluation criteria in project evaluations by prioritizing key evaluation questions as per UNEG guidance. *
	11	Improve the quality assurance mechanism for EIO-managed evaluations by strengthening it at an early stage in accordance with UNEG Standards. Quality assess ToR, inception reports (when prepared by external teams) and draft final reports before they are distributed outside EIO. Consider establishing an external quality assurance mechanism to gain a sufficiently challenging perspective, given the small size of the evaluation team.
	12	Assure that all EIO evaluation personnel, including the Chief EIO/IEU, have adequate skills, competencies and background in evaluation, as requested in the Evaluation Policy.

Self-evaluations	13	UNIDO could consider setting a financial threshold for projects/programmes to be evaluated, either through an external evaluation managed by the project manager (self-evaluation), or through an evaluation managed by EIO (independent evaluation). Having a smaller sample of projects/programmes with a mandatory external evaluation will also facilitate the assessment of their strategic value and potential inclusion in the EIO evaluation work-plan. The entity responsible for a project/programme with a budget over the financial threshold could engage with the EIO to identify the most appropriate way to address the evaluation requirements, including the possibility of covering the said project/programme through another modality (see section below). *
	14	Align the terminology of the Evaluation Policy (2021) with the Technical Cooperation (TC) Manual (June 2025). In particular, change the name of the <ul style="list-style-type: none"> • “self-evaluation” to “review”* • “internal self-evaluation” to “internal project review”* • “external self-evaluation” to “external project review” or “external project evaluation”. *
	15	Recommends that the EIO, being the centre of competence on evaluation in UNIDO, should help set standards and perform quality assurance of the “external project evaluations”, provided it is adequately resourced to support such work.
Resources	16	UNIDO should allocate appropriate funding to the evaluation function (central evaluation function and “self-evaluations”). <p>a. Central evaluation function: The funding of the central evaluation function should be predictable. UNIDO should allocate a fixed percentage of 1 - 3 % of UNIDO’s regular and operational budgets to the EIO evaluation function at the time of budget approval. This budget would be used for the EIO core evaluation tasks, such as strategic, thematic, impact or country evaluations, as per EIO’s Evaluation workplan, as well as in response to Management and Governing bodies’ requests. Also, resources for independent project/programme evaluations managed by EIO should be made available in full to the EIO. Furthermore, to ensure the central evaluation function focuses on strategic issues in the future, major project-related services should be provided on a full cost-recovery basis and/or using pooled resources.*</p> <p>b. Decentralized evaluation function: Whilst all UNIDO projects and programmes should have appropriate resources for evaluation, not all projects must undergo an external evaluation. If, e.g. a project or programme is below a given financial threshold, an external evaluation</p>

		<p>may not be required. Evaluation provisions from projects not subject to external evaluations should nevertheless be made available to EIO, through an evaluation “trust fund” or other arrangement under EIO management. These pooled resources could be used to conduct selected outcome or impact level evaluations of clusters of projects with similar characteristics (same donor, theme or geographic area).*</p>
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The asterisk (*) indicates potential implications for the Charter and/or the Evaluation Policy.

Annex 1. Terms of Reference – UNEG Peer Review of the UNIDO Evaluation Function

Introduction and Background

Introduction

The United Nations Evaluation Group ([UNEG Framework for Professional Peer Reviews of the Evaluation Function of UN Organizations \(2011\)](#)) describes a peer review as a “systematic examination and assessment of the performance of an organization by peers with the ultimate goal of helping the organization improve its policy-making, adopt best practices and comply with established standards and principles”. Peer reviews for evaluation functions have been used for accountability and learning purposes, and have provided advice, technical exchange, and support in improving evaluation systems and products.

The UNEG Peer Reviews serve to:

- Ensure accountability and continuous improvement by providing independent assessments of evaluation functions and their adherence to UNEG Norms and Standards. Peer Reviews and Self-Assessments help strengthen evaluation policy, mandate, independence, and credibility.
- Promote the utility and use of evaluation by enhancing its integration into organizational decision-making, performance management, and strategic planning. Reviews help management and governing bodies better understand and apply evaluation findings.
- Foster peer learning and professionalization across the UN system through the sharing of good practices, tools, and experiences. This contributes to building stronger, more credible, and trusted evaluation functions.

The United Nations Industrial Development Organization (UNIDO) last underwent a UNEG peer review of its evaluation function in 2010, which was conducted according to “Peer Reviews for ‘small’ evaluation functions” methodology.

In alignment with the updated [UNEG Guidelines for Professional Peer Reviews \(2023\)](#) and the [UNEG Self-Assessment Maturity Matrix \(2022\)](#), this Peer-Validated Self-Assessment (PVSA) will build upon UNIDO’s previous UNEG Peer Review (2010) to demonstrate the Organization’s commitment to continuous improvement. It aims to assess the current maturity, independence, credibility, and utility of the evaluation function to further align it with evolving UNEG standards and good practices across the UN system. The PVSA will also take into consideration the [Joint Inspection Unit Review of Management and Administration in UNIDO \(2017\)](#) and the [Multilateral Organisation Performance Assessment Network \(MOPAN\) assessment of UNIDO in 2019](#).

This terms of reference (ToR) set out the key elements of the PVSA of the evaluation function of UNIDO. It describes its purpose and scope, the approach and methodology, the panel member composition, the schedule, the funding, and the dissemination of the report.

Background

UNIDO is the specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization, and environmental sustainability. The mission of UNIDO, as described in the [Lima Declaration](#) adopted at the fifteenth session of the UNIDO General Conference in 2013 as well as the [Abu Dhabi Declaration](#) adopted at the eighteenth session of the UNIDO General Conference in 2019, is to promote and accelerate inclusive and sustainable industrial development (ISID) in Member States. The relevance of ISID as an integrated approach to all three pillars of sustainable development is recognized by the 2030 Agenda for Sustainable Development and the related Sustainable Development Goals (SDGs), which will frame the United Nations and country efforts towards sustainable development. UNIDO's mandate is fully recognized in SDG-9, which calls to “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”. The relevance of ISID, however, applies to a greater or lesser extent to all SDGs.

UNIDO programmatic focus is structured around four strategic priorities: Creating shared prosperity; Advancing economic competitiveness; Safeguarding the environment; and Strengthening knowledge and institutions. Each of these priorities contains several individual programmes, which are implemented holistically to achieve effective outcomes and impacts through UNIDO's four enabling functions: (i) technical cooperation; (ii) analytical and research functions and policy advisory services; (iii) normative functions and standards and quality-related activities; and (iv) convening and partnerships for knowledge transfer, networking, and industrial cooperation.

UNIDO provides support to its 173 Member States. Its functions are carried out in Departments/Offices in its Headquarters located in Vienna (Austria), Regional Offices, and Hubs and Country Offices. The General Conference (all Member States) serves as the Organization's highest policymaking body. It appoints the Director General and elects members to the Industrial Development Board (IDB) and the Programme and Budget Committee. UNIDO's core budget is funded by assessed contributions, while technical cooperation is primarily financed through voluntary contributions and multilateral sources. UNIDO employs 698 staff members as well as 1,586 consultants.

The Evaluation function at UNIDO

The Office of Evaluation and Internal Oversight (EIO) is responsible for providing independent and objective assurance, advice, investigation, and evaluation to add value to and improve the efficiency and effectiveness of UNIDO's operations, internal control framework, risk management, results-based management, and governance processes. EIO provides evidence-based information that is credible, reliable, and useful, enabling the timely incorporation of findings, recommendations, and lessons learned into the decision-making processes at organization-wide, programme, and project levels. The EIO also assesses the extent to which UNIDO's programmes and projects, as well as thematic areas, correctly address and effectively achieve the stated objectives of the Organization.

The EIO is governed by its [Charter](#) (2020). The Office is functionally independent and reports directly to the UNIDO Director General and the IDB. Within the EIO, the Independent Evaluation Unit (EIO/IEU) oversees UNIDO's evaluation function. Guided by the EIO Charter, the UNIDO's [Evaluation Policy](#), and in alignment with the UNEG Norms and Standards for Evaluation, EIO conducts strategic (thematic,

country level, corporate level) and project evaluations (mid-term and final). Moreover, the EIO/IEU develops and provides evaluation guidelines, methodology, and training tools to support full evaluation processes and to ensure that quality standards are met.

The EIO is functionally independent and reports directly to UNIDO's Director General and the Industrial Development Board (IDB). In addition, the evaluation function is under the scope and purview of the UNIDO Independent Oversight Advisory Committee (OAC), which is a subsidiary organ of the IDB.

Evaluation reports are made publicly available. The EIO biennial evaluation work programme is prepared by the EIO based on evidence and risk gap assessment, and it is reviewed by the OAC and approved by the Director General.

The evaluation function at UNIDO derives from a decision of the Industrial Development Board (IDB), which recognized the importance of an efficient and comprehensive evaluation system aligned with international policies, standards, and practices for measuring the impact of UNIDO's work at the field level ([IDB.29/Dec.7](#)). UNIDO's [Evaluation Policy](#), updated in September 2021 provides that the evaluation function shall be conducted in alignment with the Norms and Standards for Evaluation of the United Nations Evaluation Group (UNEG) and the evaluation criteria of the OECD/DAC. The EIO submits a report on its evaluation activities, to the IDB, on an annual basis.

Furthermore, the evaluation function's competencies and professional standards are to be aligned with the UNEG Evaluation Competency Framework. Together, these provisions guide the work of the EIO/IEU and underpin its commitment to independence, credibility, utility, and professionalism.

The evaluation function is one of the core oversight functions under the responsibility of the Director of the Office of Evaluation and Internal Oversight appointed by the Director-General. Currently, the EIO/IEU operates with three regular staff members (1 P5, 1 P4, 1 G6) and two consultants, all based at UNIDO headquarters.

An EIO Evaluation [biannual Work Programme](#) describes the planned activities of the EIO/IEU over a given biennium and ensures that evaluations are chosen and undertaken in a transparent and timely manner so that they provide decision-makers with relevant and timely information to address key evidence gaps or institutional requirements.

The EIO conducts two main types of independent evaluations:

- a) Independent project or programme evaluations of technical cooperation activities can take the form of mid-term, terminal, or ex-post evaluations. The requirements for independent evaluations of projects and programmes are established normally in project or programme documents or cooperation agreements with donors and other stakeholders.
- b) Independent corporate-level evaluations or reviews, such as country-level, thematic, or strategic, are conducted to assess country or regional programmes, policies, strategies, and crosscutting issues or functions. They inform UNIDO management and external stakeholders on policymaking and organizational effectiveness.

All independent evaluation reports are available on [UNIDO's public website](#). In 2024, the IEO/IEU finalized 14 project evaluations. It also published four strategic evaluation reports¹¹, one country-level evaluation (People's Republic of China), an evaluability assessment of UNIDO's contribution to SDG 9, and a synthesis review of recommendations and lessons learned (2018-2023).

On average, the budget of the EIO/IEU for the implementation of the evaluation plan is around EURO 500,000 per biennium.

UNIDO has been a member of the UNEG since 2003, actively participating in its work to promote system-wide coherence, professionalism, and the application of shared evaluation norms and standards across the UN system.

Purpose and scope

The overall purpose of the PVSA is to assess the maturity of UNIDO's evaluation function against UNEG Norms and Standards.

The main scope of the PVSA will be to determine if the evaluation function and its products are independent, credible, and useful for learning and accountability purposes. The PVSA will identify areas of strength and opportunities for development across institutional arrangements, methodological practice, and use of evaluation. It will look at the progress made in strengthening the evaluation function in UNIDO since the Peer Review of 2010 and the Evaluation policy of 2021. It will also examine how any feedback from the Joint Inspection Unit Review of Management and Administration, 2017 and MOPAN, 2019 has been taken on board to enhance the function's effectiveness.

The PVSA will provide UNIDO's management, the IDB, and EIO with an assessment of the evaluation function by a panel of professional evaluation peers, focusing on actionable recommendations on the evaluation function and its products.

The peer review will assess the evaluation function of UNIDO according to the three core criteria for [UNEG Guidelines for Professional Peer Reviews](#):

1. Independence of evaluations and evaluation system(s): The evaluation function and process should be impartial and independent from both policy-making processes as well as an organization's delivery and management. Independence is a recognized pre-condition for credibility, validity, and usefulness. Indicators of independence are broadly covered by UNEG Norm 4 and amplified in the relevant Standards. Independence enables the impartiality of evaluations (Norm 5) which, together with quality (Standard 5) and transparency (Norm 7), lead to credibility.
2. Credibility of evaluations. The credibility of evaluations (UNEG Norm 3) depends on the expertise and independence of the evaluators and the transparency of the process. Credibility requires that evaluations report successes and failures and publicly disclose evaluation findings (Standard 1.5). The units being reviewed should fully participate in evaluations to promote credibility and commitment. Assessments of credibility include whether and how the organization's approach to evaluations relates to internationally agreed principles, goals, and targets (UNEG Norm 1); fosters partnerships; and helps build ownership and capacity, as appropriate.

¹¹ Knowledge Management in UNIDO; UNIDO engagement with the private sector; Third Industrial Development Decade for Africa (IDDA III), 2016-2025); and Impact of the Vienna Energy Forum.

3. Utility of evaluations. To have an impact on decision-making, evaluation findings must be perceived as relevant and useful. They should be presented clearly and concisely and fully reflect the different interests and needs of the many parties involved. Utility is covered in UNEG Norm 2 and amplified in the relevant Standards.

Approach and methodology

The peer-review will follow the [UNEG Guidelines for Professional Peer Reviews](#) methodology:

1. A self-assessment by the UNIDO evaluation function using the UNEG Maturity Matrix Checklist, covering 53 assessment criteria across 14 UNEG Norms (see next section for more details).
2. Desk review by the Peer Panel of UNIDO's evaluation policy, workplans, reports and other materials. The Panel will select a representative sample of evaluation reports.
3. Interviews by the Peer Panel with key stakeholders, including senior management, evaluation staff, governing bodies representatives, the UNIDO Oversight Advisory Committee, and external partners as needed.
4. An in-person validation mission to triangulate findings and engage with UNIDO management and stakeholders
5. Drafting and finalization of a Peer Review Report with observations and recommendations.
6. Preparation of UNIDO's management response and dissemination of the report by the UNIDO evaluation function.

The Peer Review Panel will not visit regional or country offices due to the centralized nature of the evaluation function in UNIDO but may collect views from field staff that have been exposed to evaluations through remote/virtual interviews and possibly e-mail surveys.

Peer Review Dimensions

The core question of the peer review is “Are UNIDO's evaluation function and its products independent, credible, and useful for learning and accountability purposes?”.

The assessment framework for the UNEG Peer Review consists of the following elements:

1. The [UNEG Self-Assessment Maturity Matrix for UN Evaluation Functions](#) forms the baseline normative framework for use in Peer Reviews. It operationalizes the UNEG Norms and Standards into a set of 53 performance criteria and maturity benchmarks. The criteria and benchmarks are accompanied by a set of performance attributes that describe expected behaviors and procedures for increasing the ‘maturity’ of an organization's evaluation function.
2. A set of general review questions organized around the core normative standards for evaluation in the UN system (independence, credibility, and utility), building on the UNEG Maturity Matrix.

These questions will focus on the following aspects:

- a. The adequacy of the UNIDO evaluation policy and its conformity to international standards. The review will also assess the extent to which other relevant policies (e.g. those concerning results-based management, strategic planning, budgeting) are affecting the work of the EIO/IEU.

- b. Structural aspects of how the evaluation function operates in UNIDO, including whether the current functional arrangements are effective in ensuring that EIO/IEU can contribute to learning, accountability, and decision-making within UNIDO. The review will also consider the effects of organizational relationships among UNIDO units/offices (regional offices, country offices, UNIDO desks at UNDP offices) on evaluation support and quality control.
- c. The internal organization of EIO, including how the bi-annual Evaluation Work Programme is developed and updated; how and by whom evaluation topics/subjects are suggested; and how the dialogue between EIO and senior and line management takes place.
- d. Organizational relationships of EIO with other UN Evaluation Units/Departments, evaluation networks, associations, and other partners; participation in conferences and presentations on the website.
- e. Role and experience of EIO in joint evaluations and role in self-evaluations, if any, (e.g. approval process) carried out by implementing partners.
- f. The quality of EIO/IEU evaluations products and processes. This includes: the planning process and the quality of the evaluations' Terms of Reference; the conduct of the evaluations; the quality of the evaluation reports; the independence of evaluation teams and team leaders (e.g. role of UNIDO staff or former staff members in evaluations); the ways stakeholders are invited to comment on draft reports and how their comments are adequately considered in the finalization of the evaluation products.
- g. Quality and utilization of evaluation results and follow-up. Important aspects are whether evaluation results are considered practical and useful; how evaluation results are disseminated and lessons learned used within UNIDO and with other stakeholders (e.g. donors, executing and implementing agencies, and cooperating partners); and the follow-up process articulates responsibilities. The review will also look at how the evaluation function can enhance its contribution to knowledge management and learning within the organization.
- h. Financial Resources of the Evaluation Function. The review will look at the extent to which evaluation resources allow the commissioning of high-quality credible, useful, and timely evaluations.
- i. Good practice. The review will search for existing good practices that should be maintained and/or further institutionalized and shared.

The Peer Panel will prepare a detailed set of assessment questions related to the core assessment criteria and the above elements.

Panel Membership

Some important considerations were taken into account for the panel membership: (i) relevant professional experience; (ii) independence – to avoid any potential or alleged conflict of interest; and (iii) and inclusion of independent members.

The combination of these criteria together with the voluntary nature of serving on the Panel resulted in the following composition:

- Mr. Arild Hauge - Chair of the Peer Review Panel (former Deputy Director of Evaluation at UNDP)
- Ms. Barbara Torggler (IAEA) – Panel Member
- Mr. Carlos Tarazona (FAO) – Panel Member
- Mr. Urs Zollinger - External consultant

The Panel will examine all the information provided and conduct interviews with UNIDO EIO and senior management, as well as external stakeholders.

The Panel will be assisted by a consultant, who will support data collection and information gathering; as well as a preliminary assessment of the information collected through structured and semi-structured interviews. The consultant will also draft the assessment report reflecting the consensus opinion of the Peer Panel.

Schedule

The tentative timeline for the PVSA is proposed as follows:

Steps	Activities	Dates
Preparatory phase	Establishing the Peer Panel Review Team, information sharing, selecting/recruiting consultants, and developing the ToR for the Peer Review.	April-June 2025
	Submission of self-assessment by UNIDO to Peer Review Panel.	July 2025
	First virtual meeting of the Peer Review Panel to discuss the ToR of the Peer Review and meeting the consultant and others.	July 2025
	Finalization of ToR by Peer Panel Review Team.	July 2025
Desk study	Desk study and assessment of evaluation reports (by consultant)	August 2025
Surveys/interviews planning and implementation	The peer Review Panel and consultant determine if a survey is necessary/useful. If so, the consultant develops questions and carries out a survey covering relevant UNIDO staff and/or stakeholders.	August-September 2025

	Consultant develops topic lists or questionnaires for structured and semi-structured interviews to be conducted at the UNIDO head office, regional offices, and field offices.	
	The consultant develops draft outline of the final report and circulates it to panel (before the second meeting of Peer Review Panel).	September 2025
	Second virtual meeting of the Peer Panel and the consultant to discuss draft questionnaires, the progress of work, and prepare the mission to UNIDO HQ	End September 2025
Validation mission to triangulate findings.	Validation/Interview mission to Vienna Interviews will include a wide range of staff and executives at UNIDO headquarters (Director General, Executive Board members, directors, staff, and others).	October 2025 - TBD
	Peer Exchange workshop between EIO staff and panel.	
	Mission debrief: presentation of preliminary findings to EIO and other relevant staff and management.	
Drafting and finalization of a Peer Review Report	The consultant prepares a final report to be reviewed by the Panel	
	The Peer Panel will submit a draft report for validation by UNIDO EIO.	
	Virtual meeting for Peer Review report presentation and share observations (PR panel and EIO)	
	The consultant produces a final report with observations and recommendations, and after final review by the Peer review panel, the final report is submitted to UNIDO.	
Management Response	UNIDO prepares formal management response to the review	8 weeks after submission of the final report

Dissemination of report	The report is published on UNIDO's website and shared with relevant stakeholders.	
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Throughout the period, consultations/virtual meetings will take place between the Panel Chair with EIO, within the Panel, and between the Panel and the consultant, as necessary.

Report and Dissemination

The Peer Panel will submit its final report to UNIDO's EIO, and UNIDO's Director General and Leadership Board. The final report will include an executive summary, validated ratings per UNEG criteria, and strategic recommendations. Once the report is finalized, the agency produces a management response which is disseminated together both by the agency as well as by the UNEG Peer Review Working Group on the UNEG website. It may be shared with senior management and governing bodies, and uploaded to the UNEG website, subject to UNIDO's agreement.

Funding

UNEG panel members will contribute their time as part of UNEG's mutual support. The costs of the consultant and the travel of Panel members will be covered by UNIDO. UNIDO will also provide administrative and logistical support to the Peer Review Panel.

Reference documents

Documents to be consulted (inter alia):

- [EIO Charter \(2020\)](#)
- [EIO Strategy 2025-2029](#)
- EIO Strategy 2020-2024 (offline)
- [UNIDO Evaluation Policy \(2021\)](#)
- Work plan 2022-2023
- [EIO/IEU Biannual work plan \(2024–2025\)](#)
- [EIO/IEU Evaluation Workplan 2025](#)
- [EIO Annual Report 2024](#)
- [Evaluation Manual \(2024 update\)](#)
- [EvalNews](#) (2/2025, 1/2025, 1/2024, 2/2023, 1/2023)
- [Evaluation Activities Report by the Director of the Office of Evaluation and Internal Oversight \(2024\)](#)
- EIO Reports to IDB (2024-2025)
- [Joint Inspection Unit Review of management and administration in UNIDO \(2017\)](#)
- [Multilateral Organisation Performance Assessment Network \(MOPAN\) assessment of UNIDO performance \(2019\)](#)
- The 2010 Peer Review Report and Management response
- Completed self-assessment using the UNEG self-assessment matrix
- Referenced sources of evidence to support the self-assessment report
- [Evaluation ToRs and reports \(strategic and project\).](#)

In addition, UNIDO's EIO/IEU tools and guidelines:

- EIO/IEU follow-up tools:
 - TeamMate
 - InsAight
 - Evaluations Tracker
 - Recommendations and Lessons Learned Data Base
- Evidence gap assessment and planning
- Evaluation templates and SoPs
- SharePoint documents repository
- Key Performance Indicators
- Other relevant documents (to be decided).

Annex 2. Agenda and Persons Interviewed

AGENDA

Tuesday, 23 September 2025

Time	Session	Participants peer review panel	Room	Notes
15:00–16:00	Online meeting with Oversight Advisory Committee	Whole Panel	Online	

Thursday 25 September 2025

Time	Session	Participants peer review panel	Room	Notes
14:00-15:00	Online meeting with EIO team	Whole Panel	Online	

Monday, 29 September 2025

Time	Session	Participants peer review panel	Room	Notes
08:30–09:10	Arrival and introduction with EIO Peer review focal points	Whole Panel	D1611	
09:30–10:15	Interview Strategic evaluation_Kay Lisengard Chief, SPP/KMG	Whole Panel	D1611	MAP Owner of Strategic evaluation report on Knowledge Management in UNIDO
10:45–11:30	Interview_ Jaime Mol de Alba, Director SPP/SPM	Whole Panel	D1611	Directorate of Strategic Planning, Programming and Policy /Division of Strategic Programming, Results Monitoring and QA

11:45– 12:30	Interview _ Smail Alhilali, Director and OIC, TCS	Whole Panel	D1611	MD/OIC Directorate of Technical Cooperation and Sustainable Industrial Development
12:30– 13:45	Lunch break	—		—
14:00– 14:45	Interview _ Mr. Beger, MD, IET	Whole Panel	D1611	Managing Director- Directorate of SDG Innovation and Economic Transformation
15:15- 16:30	Martin Lugmayr, Industrial Development Expert	Subgroup Panel Arild/Urs	D1611	Project evaluations: Promoting Integrated Biomass and Small Hydro Solutions for Productive Uses in Cameroon, 2023
15:15- 16:30	Gabor Molnar, Industrial Development Officer	Subgroup Panel Barbara/Carlos	D2123 (EIO Meeting Room)	Evaluation report on Project for agri-food and agro-industry development assistance in Pakistan (PAFAID), 2025
16:30- 17:00	Individual terview with EIO staff	Whole Panel	D1611	Clarify open issues

Tuesday, 30 September 2025

Time	Session	Participants peer review panel	Room	Notes
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09:00–09:45	Interview -strategic/project evaluation Akos Koszegvary IET/PPP	Whole Panel	D1611	Strategic evaluation report on UNIDO engagement with the private sector Evaluation report on Promoting women empowerment for inclusive and sustainable industrial development in the MENA region (Phase II)
10:15–11:00	Individual interview with EIO staff	Whole Panel	D1611	
11:30–12:15	Online meeting_ UNIDO Country office China: Ms. LI Ning, National Programme Officer	Subgroup Panel Arild/Urs	D1611	Meeting ID: 321 180 665 878 0 Passcode: 9KS2Ft3C
11:30–12:15	Online meeting_ UNIDO Representative Egypt: Mr. P. Gilabert	Subgroup Panel Barbara/Carlos	D2123 (EIO Meeting room)	Meeting ID: 348 264 286 959 Passcode: jg3eJ2qt
12:15–13:30	Lunch break	—		—
14:00–14:45	Group Meeting – IDB	Whole Panel	D1611	Members Mr. Adeel Ahmad Khan, Deputy Permanent Representative (Pakistan) (Representing President) Mr. Michał Andrukonis (Poland), Vice-President Mr. Khaled Ali Mohamed Elmenshawy (Egypt)

				Ms. Claudia Elizabeth Guevara de la Jara (Peru)
15:30–16:15	Online meeting _Acting UNIDO Representative South Africa: Mr. Levy Maduse	Subgroup Panel Arild/Urs	D1611	
15:30–16:15	Online meeting _UNIDO Representative Côte d’Ivoire, Benin, Niger and Togo. OIC Ghana and Liberia Country Office: Mr. Tidiane Boye	Subgroup Panel Barbara/ Carlos	D2123 (EIO Meeting room)	
16:10 – 17:00	Individual Interview with EIO staff	Whole Panel	D1611	

Day 3 – Wednesday, 1 October 2025

Time	Session	Participants peer review panel	Room	Notes
08:30–10:00	internal debrief	Whole Panel	D1611	
10:30 - 11:15	Interview – Mr. Mattiat Chief of Cabinet	Whole Panel	D1611	
11:30- 12:15	Open	Whole Panel		
12:30–13:30	Lunch break	—		—
14:00–16:00	Peer exchange and discussion with full EIO/IEU Team	Whole Panel	D1611	
16:00 - 16:30	Wrap-up and closing meeting	Whole Panel	D1611	