

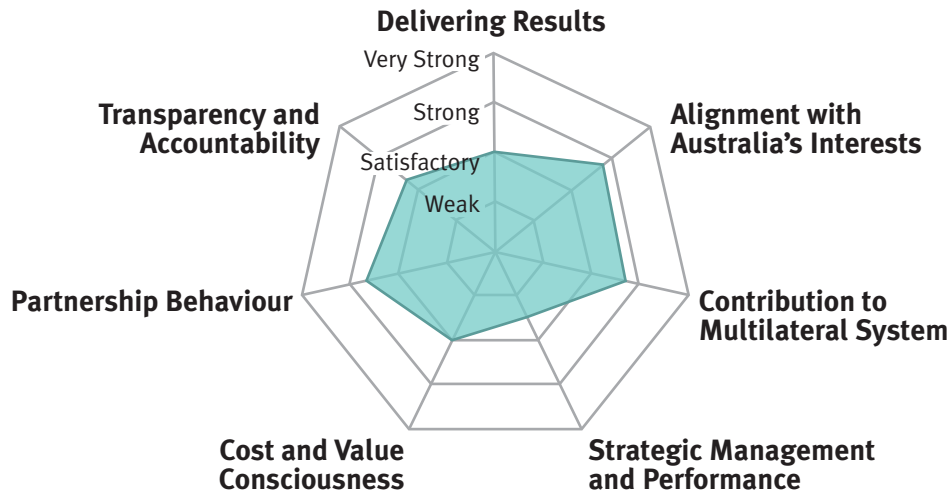


Australian Multilateral Assessment March 2012

United Nations Office on Drugs And Crime (UNODC)



OVERVIEW OF ORGANISATION RATINGS



ORGANISATION OVERVIEW

The United Nations Office on Drugs and Crime (UNODC) has a mandate to assist UN member states to combat transnational crime, including corruption, human trafficking and people smuggling, drug-use prevention and treatment, drug trafficking and terrorism. UNODC pursues these objectives through:

- > assisting states with the ratification and implementation of international conventions against transnational crime, including: corruption; human trafficking and people smuggling; drug trafficking and drug use prevention, treatment and care; and terrorism
- > developing expertise, tools and resources to: prevent and address crime; manage controlled drugs; address drug trafficking; and terrorism
- > criminal justice reform and strengthening the rule of law
- > research and analysis

- > field-based technical cooperation projects, and
- > health and livelihoods programs, designed to reduce dependence on drug production or use.

Within the UNAIDS partnership UNODC takes the lead on HIV harm reduction for intravenous drug users, prisoners and victims of human trafficking.

UNODC spending totalled US\$232.3 million in 2010.

UNODC carries out the mandate of the two Commissions: the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ or ‘Crime Commission’). The funds managed by the UNODC are governed by the two Commissions. Australia is a current member of the CND (until 2013) and is an observer of the CCPCJ (however, Australia works closely with current members through the Western European and Other States Group).

Australia has consistently been one of UNODC’s major donors and has been in the top ten donors since 2005. Australia provided around \$5.5 million through the aid program to UNODC in 2010–11, comprising \$1.5 million in voluntary core contributions and \$4.0 million in non-core funding.

Australia has committed to provide core funding to UNODC of \$3.6 million in 2011 and \$3.2 million in 2012. Of these amounts, \$1.5 million each year will help to strengthen the core functions of UNODC headquarters in Vienna and manage and support activities in the Asia-Pacific. \$2.6 million in 2011 and \$2.4 million in 2012 will be provided to combat transnational crime.

RESULTS AND RELEVANCE

1. Delivering results on poverty and sustainable development in line with mandate

SATISFACTORY

UNODC’s mandate is to combat transnational crime, including corruption, human trafficking and people smuggling, drug-use prevention and treatment, drug trafficking and terrorism.

UNODC’s work encompasses a wide range of development-related efforts. For example, its work in HIV harm reduction has reached thousands of HIV-positive people and their partners through 45 drop-in centres and demonstrations sites across South Asia. UNODC works to promote the coordinated provision of anti-corruption technical assistance to requesting developing countries, based on country-led priorities and as consistent with the aims of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. UNODC’s capacity building work has improved the rule of law in developing states through criminal justice reform for the police, prison and judicial systems in Afghanistan, East Africa and South-East Asia.

UNODC publishes results for its program and project based activities on the UNODC website. In 2008–09, UNODC moved from a project-based approach to a more strategic approach and commenced the development of multi-year thematic, regional and country programs.

Reliance on earmarked voluntary contributions has meant that UNODC is responsive to donor priorities. It also has resulted in UNODC spreading its efforts thinly across a large number of projects.

The majority of UNODC's operations benefit especially disadvantaged and vulnerable groups, including countering human trafficking, running programs for drug users, implementing alternative development programs for illicit crop farmers in Afghanistan and South America, improving food security in Burma, and offering programs for victims of human trafficking and child sex tourism.

a) Demonstrates development or humanitarian results consistent with mandate	SATISFACTORY
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UNODC's mandate is to combat transnational crime, including corruption, human trafficking and people smuggling, drug-use prevention and treatment, drug trafficking and terrorism. It is important to note that UNODC is not only a development agency although many of its programs provide development-related benefits.

At the request of the UN Convention Against Corruption Conference of State Parties, UNODC is working with bilateral and multilateral agencies to promote the coordinated provision of anti-corruption technical assistance to requesting developing countries, based on country-led priorities and as consistent with the aims of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. UNODC's capacity building work has improved the rule of law in developing states through criminal justice reform for the police, prison and judicial systems in the Pacific, Afghanistan, East Africa and South-East Asia.

In 2008–09, UNODC moved from a project-based approach to a strategic approach and commenced the development of multi-year thematic, regional and country programs.

UNODC's programs achieve tangible results. For example, Australia has supported work in HIV harm reduction and is aware of successful harm reduction outreach to thousands of HIV positive people and their partners through 45 drop in centres and demonstrations sites across South Asia. UNODC publishes evidence-based reports on the findings of its projects and programs, and publishes evaluation data, which measures the impact of each project or program. UNODC does not have systematic reporting of results at an activity-level. The lack of results reporting makes any assessment of UNODC's impact on development difficult.

There is a risk that UNODC is spreading itself too thinly, jeopardising its overall effectiveness. UNODC demonstrates a high level of responsiveness to addressing key challenges in the crime, drugs and terrorism fields. Its ability to quickly respond to these changing environments is a direct response of its current funding arrangements. The majority of UNODC funding is provided on a voluntary basis in a tightly earmarked manner which has led to donor-driven programs. Despite calls by UNODC to member states for greater contributions to its general purpose fund for core UNODC programs, donors continue to provide the majority of contributions on a voluntary basis, generally targeted for specific activities related to a donor's interests (in 2008–09 voluntary contributions represented more than 90 per cent of UNODC funding).

UNODC implements the Programme and Financial Information Management System (ProFi) which provides information on all aspects of program and project implementation, supporting the project life cycle from start to finish and providing online, real-time information and documents, both financial and substantive, to member states, headquarters and field offices around the world. ProFi web reports provide a full suite of user-friendly web reports accessible to all staff at headquarters and the field, as well as to member states and donors.

UNODC publishes results for its program and project based activities on the UNODC website.

b) Plays critical role in improving aid effectiveness through results monitoring

SATISFACTORY

UNODC provides a wide range of reporting both in terms of transnational criminal trends (research data) and project effectiveness (including extensive progress reporting). Some criticism has been directed towards UNODC for not communicating the reporting outcomes at the local and regional-level. UNODC is increasing the provision of its research and project outcomes through UNODC internet media and improved communication with stakeholders.

While UNODC has an evaluation policy that supports results-based management, project monitoring and evaluation could be improved. UNODC has recognised this and made recent improvements, including the creation of an automated logframe and standardised progress reports focusing on performance indicators. In addition, the program review committee conducts annual performance reviews of regional, country and thematic programs, making active recommendations to ensure increased effectiveness.

Project monitoring and evaluation costs are factored into individual project budgets and the UNODC executive director will present an independent evaluation of the integrated programming approach as a whole, including its implementation status, impact and lessons learned to the two commissions by the end of 2013.

Australia is providing core funding to further support corporate capacity building and the development of outcomes-based reporting.

c) Where relevant, targets the poorest people and in areas where progress against the MDGs is lagging

SATISFACTORY

Given the nature of UNODC's mandate, its operations benefit disadvantaged and vulnerable groups (including countering human trafficking, programs for drug users, alternative development programs for illicit crop farmers in Afghanistan, South America and South-East Asia programs that apply the rule of law to captured pirates and suitable prison environments for convicted pirates in East Africa (some of the world's poorest individuals) and programs for victims of human trafficking and child sex tourism).

As noted above, UNODC is not a development agency and therefore its core functions are not targeted specifically at achieving the Millennium Development Goals (MDGs). UNODC's impact on the MDGs is relevant in terms of the reduction in corruption, firearms trafficking, terrorism, human trafficking among other issues it aims to address in

developing nations. For example, the UN has identified corruption as an obstacle to achieving the MDGs and that it has a disproportionate impact upon marginalised groups who are often least able to pay bribes for essential services. UNODC is mandated to assist member states to implement the UN Convention against Corruption and thereby strengthen their governance and accountability regimes that are vital for sustainable poverty reduction and the achievement of the MDGs.

2. Alignment with Australia’s aid priorities and national interests	STRONG
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UNODC’s broader mandate, including its focus on illegal drugs, human trafficking, terrorism and transnational crime, corresponds to important Australian interests.

UNODC’s development activities align well with the Australian aid program’s strategic goals of saving lives and improving governance. Its anti-corruption, rule of law, drug-use prevention and counter-terrorism work in Asia-Pacific, East Africa and the Middle East align with Australia’s broader security and economic interests. UNODC plays an important advocacy role in these areas, which increases the impact of its capacity building assistance and that of other countries.

Australian Government agencies report a range of views on the extent to which UNODC is responsive to issues and concerns raised by Australia. A common concern relates to the quality and timeliness of UNODC reporting.

The 2010 evaluation by the United Nations Joint Inspection Unit found shortcomings in implementation of UNODC’s policy on gender, although Australia’s experience in some UNODC activities, such as human trafficking programs in Asia, has been that gender issues have been front and centre. UNODC has recently begun to undertake programs which address criminal activities affecting the environment, including illegal logging and the wildlife/timber trade.

UNODC can operate effectively in fragile states, utilising its legal experts who have extensive law enforcement, border management, prosecutorial and prison-management expertise. Examples of UNODC’s work in fragile states include its counter piracy program in East Africa, which has improved criminal justice systems and conditions in correctional facilities.

a) Allocates resources and delivers results in support of, and responsive to, Australia’s development objectives	STRONG
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UNODC’s mandate—to help UN member states counter illegal drugs, combat human trafficking, terrorism and other forms of transnational crime, and help resist corruption—corresponds to important Australian interests, especially in the Asia-Pacific region. This is attested to by the broad range of Australian Government agencies with links to UNODC, providing support for combating transnational crime, drugs and crime, people smuggling, irregular migration, anti-corruption, counter-piracy, preventing terrorism and helping reduce the spread and impact of HIV.

Its anti-corruption, rule of law, drug-use prevention and counter-terrorism work in Asia-Pacific, East Africa and the Middle East align with Australia’s broader security and

economic interests. UNODC plays an important advocacy role in these areas, which increases the impact of its capacity building assistance and that of other countries.

Australian Government agencies report a range of views on the extent to which UNODC is responsive to issues and concerns raised by Australia. A common concern relates to the quality and timeliness of UNODC reporting. This may reflect the differing reporting expectations from government departments. While not strictly within its mandate, the Australian Multilateral Assessment would recommend that Australia consider means of streamlining its engagement with UNODC through measures such as common reporting requirements and more united governance arrangements over the partnership. It is noted this has commenced as a result of a consultation visit by the UNODC to Australia made in September 2011 specifically to address some of these issues.

b) Effectively targets development concerns and promotes issues consistent with Australian priorities	STRONG
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UNODC activities mitigate the damaging effects on development of corruption, illegal drugs, human trafficking, terrorism and other forms of transnational crime. This can reduce the suffering and loss of life caused by terrorism and other forms of transnational crime. This aligns well with Australia's strategic goal of improving governance.

For example, the UN has identified corruption as an obstacle to achieving the MDGs because it diverts resources away from the provision of basic services and has a disproportionate impact upon marginalised groups who are often least able to pay bribes for essential services. UNODC is mandated to assist member states to implement the UN Convention against Corruption and thereby strengthen their governance and accountability regimes that are vital for sustainable poverty reduction. This aligns well with Australia's strategic goal of effective governance.

UNODC's work on HIV harm reduction directly contributes to saving lives.

c) Focuses on crosscutting issues, particularly gender, environment and people with disabilities	SATISFACTORY
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Gender is a highly relevant crosscutting issue for many of UNODC's activities and UNODC is in the process of developing a policy on gender mainstreaming. The 2010 evaluation by the United Nations Joint Inspection Unit found shortcomings on UNODC's approach on gender, which UNODC management has undertaken to address. Australia's experience has been that in some UNODC activities, such as human trafficking programs in Asia, place gender issues front and centre.

UNODC has not shown capacity for sophisticated incorporation of gender considerations, such as supporting the exploration of gender relevant issues in harm reduction policy and service delivery, or building the capacity of local partners to identify and respond to gendered differences in service access, efficacy or impact.

d) Performs effectively in fragile states**STRONG**

UNODC works effectively in fragile states including Afghanistan and in East Africa. Given the nature of UNODC’s work, operations in fragile states must be carried out differently to those in more economically advanced countries. UNODC utilises legal experts with extensive law enforcement, border management, prosecutorial, or prison management expertise along with regional experts to work with local law enforcement authorities in its programs in Afghanistan and fragile states in East Africa.

An example of UNODC’s effectiveness in fragile states is its counter piracy program in East Africa. Tasked by the UN Security Council to manage the criminal justice aspects of piracy, UNODC has delivered consistently in East Africa, improving and building criminal justice systems and improving conditions in correctional facilities in and around the Horn of Africa.

As the custodian for the *UN Convention against Transnational Organised Crime*, UNODC works with Member States to implement the *Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition* (the protocol). The protocol is the first international legally binding instrument aimed at preventing and combating the illicit manufacture and trafficking in firearms and it plays an important role in preventing the destabilising effects of small arms in fragile states.

3. Contribution to the wider multilateral development system**STRONG**

UNODC has some responsibility for coordinating some development-related efforts at country and regional levels and is seen by some development stakeholders as adding value.

UNODC assists UN member states to comply with international conventions against corruption, transnational organised crime, drug control, and terrorism in its role as the Secretariat to a range of UN conventions. It undertakes these roles effectively.

UNODC’s research work in some cutting-edge areas focuses on difficult policy issues, such as transnational crime, and helps fill knowledge gaps for policy advisers and law enforcement officers in developed (donor) and developing countries. It does this, for example, by producing several useful annual reports such as its *World Drug Report* and the *Global Report on Trafficking in Persons*. The recent global *Transnational Organized Crime Assessment* has similar potential in the future, especially when it is supplemented by anticipated regional assessments, including one currently being undertaken for East Asia and the Pacific. UNODC’s Global Synthetics Monitoring: Analyses, Reporting and Trends program assists governments to collect and analyse drug use data. This program has improved the availability of information on drug manufacturing and trafficking trends in East Asia over recent years.

a) Plays a critical role at global or national-level in coordinating development or humanitarian efforts	SATISFACTORY
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UNODC coordinates efforts at the regional level and sets normative platform on human trafficking.

UNODC plays an important global role as the Secretariat to the United Nations Convention against Transnational Organised Crime, and the UN drug control treaties and terrorism-related treaties. It undertakes these roles effectively. UNODC and the UN Department of Political Affairs (DPA) are co-chairs of the UN System Task Force to combat the threats to security and stability presented by transnational organised crime and drug trafficking. The task force was established by the UN Secretary General in March 2011 to develop a coherent, effective and comprehensive approach of the UN system to addressing transnational organised crime and drug trafficking. UNODC has expressed a strong interest in working closely with the task force on regional organised crime threat assessments.

As the designated Secretariat to the UN Convention against Corruption (UNCAC), UNODC administers the implementation review mechanism and assists the 158 state parties to undertake the self-assessments and peer-reviews of their progress with implementation. At the request of state parties, UNODC administers the international database of anti-corruption experts used to facilitate the provision of technical assistance to requesting state parties following the outcomes of the review process. UNODC continues to work with other bilateral and multilateral assistance providers, as well as partner entities at the international, regional and subregional-levels, to enhance coordination and cooperation in the delivery of anti-corruption technical assistance.

b) Plays a leading role in developing norms and standards or in providing large-scale finance or specialist expertise	STRONG
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UNODC has the role of assisting UN member states to comply with the international conventions against corruption and transnational organised crime, as well as the UN drug control and terrorism-related treaties. Its technical assistance is generally designed to serve this objective.

UNODC is willing to work in cutting-edge areas and to tackle difficult policy issues. It has a role in setting normative standards at the regional level for countering trafficking in persons, including fostering and supporting legislative reform. One example is the anti-corruption work of UNODC's office in Indonesia. This has included promoting investigative coordination among anti-corruption agencies, and highlighting forest related crime in a study on Reducing Emission from Deforestation and Degradation (REDD) and corruption.

c) Fills a policy or knowledge gap or develops innovative approaches	STRONG
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UNODC research helps fill an important knowledge gap, particularly for policy advisers and law enforcement officers in developed (donor) and developing countries. UNODC undertakes evidence-based research on drug trafficking and other transnational crime,

using data gathered by governments and other international institutions as well as by its own staff.

UNODC produces an annual *World Drug Report*. At country-level it monitors and reports on illicit crops, such as on opium poppy cultivation in Afghanistan, coca cultivation in Bolivia, Colombia and Peru, opium poppy cultivation in the Laos and Burma, and cannabis cultivation in Morocco. UNODC also has programs to support countries carry out drug use surveys (in Afghanistan and Pakistan) and build capacity to improve their drug and crime related data collection capacity.

UNODC's Global Synthetics Monitoring: Analyses, Reporting and Trends Program assists governments to improve the availability of strategic information on drug manufacture and trafficking trends in East Asia. This research has been fed into international law enforcement operational interventions.

UNODC also produces specialised reports on crime, such as the 2009 *Global Report on Trafficking in Persons*, the 2010 report *Corruption in Afghanistan: Bribery as Reported by Victims*, and the 2011 *Global Study on Homicide*. In 2010, UNODC produced the first global transnational organised crime threat assessment. The assessment is considered by law enforcement officers, including INTERPOL, and policy-makers to be a ground-breaking assessment of transnational criminal activities. The UNODC is now in the process of producing the assessment for East Asia and for the Pacific (supported by Australia through AusAID and other member states) to provide targeted evidence of the transnational criminal threats.

This information is used by UNODC and others to inform policy-makers, legislators and criminal justice professionals, and to help develop operational methods and training tools for police, customs and security services. However, there is little information or analyses from UNODC reports on whether these research outputs are being used by countries, how they are being used, and to what purpose.

UNODC produces useful model legislation and legislative tools to assist policy makers and legislators to implement the international conventions and protocols within UNODC's mandate. UNODC resources are also often used in regional workshops.

UNODC has established a web-based anti-corruption portal known as TRACK (Tools and Resources for Anti-Corruption Knowledge). TRACK brings together legal and non-legal knowledge on anti-corruption and asset recovery enabling UN member states, the anti-corruption community and the general public to access this information in a central location. A further key objective is to create a community of practice where registered users can communicate, exchange information and schedule events.

ORGANISATIONAL BEHAVIOUR

4. Strategic management and performance

SATISFACTORY

UNODC has a medium-term strategy (2008–11) and is preparing a strategy for 2012–15 with improved benchmarks and performance indicators. Under the close oversight of the working group on governance and finance, managed by the member states of its two governing commissions, and the UN joint inspection unit, the quality of indicators in the

new strategy will be improved and a results-based culture will be fostered in the organisation.

UNODC has two parallel governing bodies and this makes governance complex. While Member States have not expressed any immediate plans to combine these governing bodies, efforts are underway to ensure their work is effectively integrated into the 2012–15 strategy through the working group on governance and finance and independent evaluation by the UN joint inspection unit, the UN advisory committee on administrative and budgetary questions and the UNODC’s independent evaluation unit (IEU).

The IEU is responsible for coordinating and leading evaluations of UNODC programs and projects. Since January 2010, the IEU has guided more than 70 independent project evaluations across UNODC. In 2010 and 2011, two in-depth evaluations were conducted and published and at least two further in-depth evaluations are planned for 2011 and 2012. In the resolutions that established the IEU, the two Commissions decided that ‘adequate provisions should be made’ for the establishment of the IEU. In 2012–13 the IEU will also deploy an evaluation officer to Afghanistan to strengthen the capacity to evaluate initiatives in the region.

In the past there have been concerns with project monitoring at the country-level. UNODC’s monitoring and evaluation systems at the agency-level are currently undergoing improvements and strengthening (including through implementing a results-based culture) through the working group on governance and finance. The IEU will present its evaluation of UNODC’s thematic and regional programming and report on its implementation status, impact and lessons learned to the commissions by the end of 2013.

In 2010, the UN joint inspection unit identified concerns with human resources management that UNODC leadership have commenced addressing in accordance with the working group on governance and finance process. The unpredictable funding base and the reliance on earmarked contributions generates particular challenges for human resources management.

UNODC leadership was responsive and helpful in the recent restructure of its Bangkok regional centre. The improved operation of the Bangkok regional centre in recent times is testimony to the positive results that UNODC is capable of achieving in strategic management and performance.

a) Has clear mandate, strategy and plans effectively implemented	SATISFACTORY
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UNODC has a medium-term strategy for 2008–11 that sets out goals, expected results and related performance indicators. It is difficult, however, to track these results with only limited results information provided in UNODC publications such as the annual report.

The 2010 review of UNODC by the United Nations joint inspection unit noted that:

- > the mandates from UNODC’s two commissions have not been effectively integrated. (it should be acknowledged that the mandates of the two commissions are the responsibility of the member states. UNODC is unable to directly integrate the mandates without direction from member states)

- > activities have expanded to new and diversified areas. This expansion has not been matched with resources and has diluted the strategic vision and prioritisation functions within UNODC, and
- > staff generally have a poor understanding of results-based management, the quality of indicators needs to be improved, and a results-based culture needs to be fostered.

In response to the JIU review, in March 2011 the two commissions asked for a strategy for 2012–15 to be prepared by the second half of 2011, with improved benchmarks and performance indicators. Under the close oversight of the working group on governance and finance, managed by the member states of its two governing commissions, and the UN joint inspection unit, UNODC will work to improve the quality of indicators in the new strategy for 2012–15 and foster a results-based culture in the organisation. In September 2011, the UN Secretary-General said UNODC would develop a strategic framework that operationalises identified priorities with corresponding indicators of achievement and performance measures. This framework is scheduled for consideration in the third quarter of 2012.

Australia’s own experience also reflects concerns about the dilution of UNODC’s strategic vision and the need for a more results-based culture. While the prioritisation of activities within UNODC currently has shortcomings, we note the prospect that it may shortly be improved.

b) Governing body is effective in guiding management	WEAK
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UNODC was set up in 1997 by merging various United Nations entities. However, the original governing bodies, the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ), were kept unchanged, and so were the respective trust funds.

As a result, both governance and financial frameworks are characterised by fragmentation, which impacts on the effectiveness and efficiency of the organisation. UNODC is the only UN organisation to have two parallel governing bodies and this makes governance complex. Nor have the two mandates been effectively integrated. There is currently no consensus among member states to merge the two governing commissions and unlikely to be so in the near future.

In response to the JIU review member states agreed that from December 2011 the two Commissions governing UNODC would hold joint sessions that would serve as an integrated governing body. This is a welcome development, but it remains to be seen how effectively the joint sessions will guide management, especially in prioritising UNODC’s work to reflect its greatest strengths, and the envelope of resources likely to be available.

Efforts are underway to ensure their work is effectively integrated into the 2012–15 strategy through the working group on governance and finance and independent evaluation by the UN joint inspection unit, the UN advisory committee on administrative and budgetary questions and the UNODC’s independent evaluation unit (IEU).

c) Has a sound framework for monitoring and evaluation, and acts promptly to realign or amend programs not delivering results	SATISFACTORY
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UNODC is responsible to the two commissions and reports to both on a yearly basis as well as to the conferences of the state parties to the UN *Convention against Corruption* and UN *Convention against Transnational Organised Crime* on how it is tracking towards achieving its program goals. UNODC also reports to a variety of international and regional bodies and partners. For example, UNODC reports to the Pacific Islands Forum working group on counter-terrorism on its counter-terrorism work program in the Pacific Islands.

UNODC’s evaluation policy, approved by member states, does not specify that evaluation reports are to be published, but it provides for maintaining an intranet site for evaluation findings and lessons learned, and for presentation of major evaluations to member states. In the past there have been concerns with project monitoring and evaluation at the country-level.

However, it is noted that UNODC’s monitoring and evaluation systems at the agency level are currently undergoing improvements and strengthening (including through implementing a results-based culture) through the working group on governance and finance. The two Commissions decided that adequate provisions should be made for the establishment of UNODC’s independent evaluation unit (IEU) which is responsible for coordinating and leading evaluations of UNODC programs and projects. The evaluation unit reports to the executive director on the effectiveness of UNODC overarching programs and regional activities and ensures that the main issues from its evaluations are discussed by the executive committee. It reports to the governing bodies on implementation of evaluation recommendations.

The UNODC working group on governance and finance has ongoing responsibility to ensure the recommendations of the 2010 review of UNODC are implemented through the two commissions.

Since January 2010, the IEU has guided more than 70 independent project evaluations across UNODC. In 2010 and 2011, two in-depth evaluations were conducted and published and at least two further in-depth evaluations are planned for 2011 and 2012. In 2012–13, the independent evaluation unit will also deploy an evaluation officer to Afghanistan to strengthen the capacity to evaluate initiatives in the region. The unit will present its evaluation of UNODC’s thematic and regional programming and report on its implementation status, impact and lessons learned to the commissions by the end of 2013.

It is important to recognise that the evaluation unit is reporting on the overall effectiveness of UNODC and is not reporting on the project-level outcomes—which are published separately and openly.

d) Leadership is effective and human resources are well managed	WEAK
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Australia perceives UNODC leadership to be generally strong at the central-level, and particularly strong at its regional centre for East Asia and the Pacific in Bangkok, with which the Australian Government has its primary operational cooperation.

However, the 2010 Joint Inspection Unit review raised a number of concerns about leadership and human resources management in UNODC. It found that:

- > staff complained of lack of transparency in decision making including on procedures and selection processes
- > staff complained of an absence of sufficient communication and encouragement to open discussions, absence of follow-up to decisions, and mismanagement
- > the human resources management section has been described by staff as not being sufficiently client oriented, and
- > access to training for staff is limited and uneven, field based members have insufficient exposure to training, and staff are generally unsatisfied with the training offered to them.

The review recommended that urgent attention should be given to creating a better atmosphere in the organisation. Field offices need to be better managed, and headquarters needs to have better oversight of them.

UNODC leadership have commenced addressing this in accordance with the working group on governance and finance process. The unpredictable funding base and the reliance on earmarked contributions generate particular challenges for human resource management (the majority of UNODC staff are employed through one-year contracts without ongoing security due to UNODC funding framework).

The leadership of UNODC was responsive and helpful in the recent restructure of the Bangkok regional office. An audit report discovered irregularities in (2007) and UNODC took steps in consultations with donor countries (particularly Australia) to rectify and address those issues. The resultant new management in the regional office and development of the new East Asia regional program was backed by the central office and had wide regional consultation among donors and recipient countries in the region.

5. Cost and value consciousness	SATISFACTORY
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Reduced core funding has forced UNODC management to consider cost effectiveness and value for money and institute significant cost saving measures. UNODC has suffered from declining core funding over the years in response to the global financial crisis. Despite its growing mandate it has not received a commensurate increase in its UN regular budget.

The cost saving measures UNODC has been forced to undertake have weakened its program management. However, UNODC have demonstrated a capacity to deliver a strategic approach through the development of the programmatic approach and is

continuing to work towards efficiencies in response to the joint inspection unit report and other independent assessments which aim to delivery cost effectiveness.

UNODC has underdeveloped analytical tools to promote cost effectiveness and is working to improve these tools in response to the report.

a) Governing body and management regularly scrutinise costs and assess value for money	SATISFACTORY
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UNODC has suffered from declining core funding over the years in response to the Global Financial Crisis. Despite its growing mandate it has not received a commensurate increase in its UN regular budget. At the same time earmarked funding has been substantially increasing, putting UNODC in an increasingly difficult situation with regarding the balance between these types of funding.

This situation has forced UNODC management to institute cost saving measures, targeted at containing general purpose costs and managing program support costs.

Unfortunately, these efficiencies have affected UNODC program management. For example, the Australian overseas mission in Vientiane highlighted monitoring, evaluation and reporting were weak.

UNODC has demonstrated a capacity to deliver a strategic approach through the development of the programmatic approach and is continuing to work towards efficiencies in response to the joint inspection unit report and other independent assessments which aim to delivery cost effectiveness.

b) Rates of return and cost effectiveness are important factors in decision making	SATISFACTORY
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UNODC does not have systems to control cost effectiveness, although approaches such as maximising the use of local partners do promote cost savings. It has no systematic means of identifying and promoting good practice across the organisation, even though good practice is sometimes shared. However, UNODC is working to improve its analytical tools.

c) Challenges and supports partners to think about value for money	N/A
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UNODC does not provide substantial amounts of funds to government agencies or other partners, which may limit the opportunities it has to assist and influence thinking about value for money.

6. Partnership behaviour	STRONG
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UNODC has extensive partnerships with governments, other UN entities, international organisations, civil society groups, development banks and the private sector. These groups generally view UNODC's partnership behaviour as effective.

Several Australian overseas missions cited historical issues with UNODC's country offices such as unresponsiveness and a tendency for unilateral decision making. The new programmatic approach is aimed at addressing these issues.

UNODC has performed well in aligning its work with partner government priorities and systems. It received favourable comments on its responsiveness to partner country priorities when implementing the Joint UN Program on HIV/AIDs and the World Health Organization's HIV Prevention Programme in South Asia.

The views of stakeholders impact on UNODC decision making. UNODC works closely with community service organisations seeking their participation in its program of annual thematic conference. Positive feedback has been received that UNODC provides a voice for some beneficiaries, particularly in its HIV/AIDS work. During the Australian Multilateral Assessment field visit to Indonesia civil society representatives commented positively on UNODC's openness and engagement.

a) Works effectively in partnership with others
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SATISFACTORY

UNODC has extensive partnerships, with governments, other UN entities, international organisations, civil society groups, development banks and the private sector. These groups generally view UNODC's partnership behaviour as effective.

UNODC is engaged in several joint and multi-agency initiatives with other UN agencies. For example, in 2011 it signed a memorandum of understanding with UNHCR aimed at furthering joint cooperation in combating human trafficking and migrant smuggling, and it has a joint initiative with WHO for drug treatment and care in low and middle income countries.

UNODC has a memorandum of understanding with the United Nations Development Programme (UNDP) for enhanced collaboration and joint initiatives on the rule of law, criminal justice systems and anti-corruption efforts.

UNODC works closely with Pacific Islands countries and regional Pacific bodies including by placing its UNODC Pacific out-posted representative within the Pacific Islands Forum.

UNODC engages in the South-East Asia and China Regional Dublin Group meetings (meeting of donors focused on narcotics control in these regions).

UNODC has increased cooperation with the Inter-American Development Bank and the World Bank. For example, it partnered with the World Bank to establish the stolen asset recovery initiative to encourage and facilitate the timely return of stolen assets.

UNODC cooperates closely with the key anti-money laundering and counter-terrorist financing international bodies including the financial action task force.

UNODC promotes the active engagement of civil society, the private sector, parliamentarians and the media as stakeholders demanding governance reforms in the fight against corruption. UNODC has a strong history of engaging civil society organisations in the development of crime prevention and drug use prevention, treatment and care policies and programs.

UNODC also works with domestic and international media to raise awareness about transnational criminal activities.

Australian missions have expressed mixed views over UNODC partnership behaviour. The Australian overseas missions in Tehran, Vientiane and New Delhi all raised concerns related to a tendency for UNODC to act without full consultation with donors.

UNODC's new programmatic approach is, however, aimed at addressing these kinds of concerns.

b) Places value on alignment with partner countries' priorities and systems	STRONG
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In general UNODC is careful to work in alignment with partner government agencies.

The Australian overseas mission in Vientiane reports favourably on UNODC's public presentation of issues and its constructive influence on the national master plan for drug control.

The Australian overseas mission in New Delhi reports favourably on UNODC's implementation of the joint UNAIDS/WHO/UNODC project for prevention of transmission of HIV among drug users in South Asian Association for Regional Cooperation (SAARC) countries. It notes that the project has responded flexibly to countryspecific needs and priorities within its mandate.

c) Provides voice for partners and other stakeholders in decision making	STRONG
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Australian overseas overseas missions found that UNODC provides a voice for beneficiaries. The Australian overseas mission in New Delhi, for example, reported that UNODC works closely with civil society, government and other partners as part of its work on HIV/AIDS.

UNODC has a number of outreach activities for civil society organisations (CSOs), including:

- > the international gathering of CSOs which accompanied the Conference of Parties to the United Nations Convention against Corruption held in Doha, Qatar, in November 2009, and in Marrakech, Morocco in October 2011
- > the Congress on Crime Prevention and Criminal Justice held in Salvador, Brazil, in April 2010
- > supporting CSOs activities in Indonesia to fight corruption at national and grass root levels and conduct anti-corruption campaigns to increase public awareness, and
- > supporting civil society's response to illegal logging and corruption in Indonesia.

During the Australian Multilateral Assessment field visit to Indonesia, civil society representatives commented positively on UNODC's openness and engagement.

7. Transparency and accountability

SATISFACTORY

UNODC policy and practice promotes transparency in its operations and organisational matters. It publishes a range of information on its website, but there is scope to improve the quality and accessibility of this information.

UNODC's resource allocation is heavily driven by donor earmarked funds and, understandably, there are no criteria for resource allocation of un-earmarked funds.

UNODC implements the Programme and Financial Information Management System (ProFi) which provides information on all aspects of program and project implementation, supporting the project lifecycle from start to finish. ProFi also provides online, real-time information and documents, both financial and substantive, to member states, headquarters and field offices around the world.

UNODC's financial and organisational accountability mechanisms help partners to reduce corruption and prevent transnational crime.

a) Routinely publishes comprehensive operational information, subject to justifiable confidentiality

SATISFACTORY

UNODC policy and practice provides adequately for transparency about its operations, and about organisational matters.

UNODC makes publications publicly available on its website, and could increase the number of reports made available there. In 2009, UNODC joined popular social networking sites including Facebook, Twitter, Flickr and YouTube in order to reach a larger and more diverse audience, especially among young people, NGOs and professionals working in the field.

UNODC is also trying to increase its accessibility in languages other than English.

b) Is transparent in resource allocation, budget management and operational planning

SATISFACTORY

UNODC's resource allocation is heavily driven by donor earmarked funds and, understandably, there are no criteria for resource allocation of un-earmarked funds.

The 2010 JIU Review noted that UNODC's staff members think decision making in the organisation is not sufficiently transparent.

The UNODC headquarters and regional centre for East Asia and the Pacific advised Australia that a funding strategy for 2012–15 is under development and will set specific benchmarks for core funding to sustain the core infrastructure needed to develop, manage and monitor the UNODC technical assistance program as well as to establish a system of full cost recovery for technical assistance program delivery in the field.

The conference of states parties to the UN *Convention against Corruption* and its implementation review group have the responsibility to consider the budget of the UNCAC implementation review mechanism biennially. UNODC has been requested to support the implementation review group by providing it with financial information on expenditures and projected costs related to the mechanism in the inter-sessional period, in furtherance of the group's budget consideration function.

UNODC implements the Programme and Financial Information Management System (ProFi) which provides information on all aspects of program and project implementation, supporting the project life cycle from start to finish and providing online, real-time information and documents, both financial and substantive, to member states, headquarters and field offices around the world. ProFi web reports provide a full suite of user-friendly web reports accessible to all staff at headquarters and the field, as well as to member states and donors from finance, substantive and results perspective.

c) Adheres to high standards of financial management, audit, risk management and fraud prevention
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STRONG

UNODC follows UN processes in these areas.

Financial management—UNODC works within the scope of the UN financial regulations and rules, the UN financial frameworks and the regulations and rules governing program planning, program aspects of the budget, the monitoring of implementation and the methods of evaluation.

In addition, the UNODC financial rules apply to the drugs and crime programs, within the overarching framework of the UN financial regulations and rules.

Audit—UNODC has oversight from the UN board of auditors, office of internal oversight services and the joint inspection unit.

Risk management—A UNODC review group on financial monitoring has been established to provide further oversight of the financial situation of the office and to provide comprehensive information, including risk assessment, for decisions on resource allocation.

Internal fraud prevention—In addition to following UN standards on internal controls, UNODC provides staff with mandatory courses on integrity awareness and professional ethics. UNODC has recently piloted a staff course on fraud prevention.

d) Promotes transparency and accountability in partners and recipients

SATISFACTORY

UNODC provides only small amounts of funds to government agencies, NGOs or other partners, limiting opportunity to promote transparency in its partners.

UNODC is an organisation with a focus on transnational crime and anti-corruption and that provides considerable reporting and advice on these matters. For example, UNODC encourages businesses to align their practices with the UN *Convention Against Corruption*.

In 2009, UNODC teamed up with PricewaterhouseCoopers to produce a guide for companies that want to harmonise their business practices with international standards of integrity and transparency. This guide, *AntiCorruption Policies and Measures of the Fortune Global 500*, collects existing practices used to prevent corruption in some of the world's biggest companies, and advocates for the use of these practices.

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