



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



eio

evaluation
and internal
oversight

Strategy 2025 – 2029 for the Office of Evaluation and Internal Oversight

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OFFICE OF EVALUATION AND INTERNAL OVERSIGHT

Strategy 2025-2029 for the Office of Evaluation and Internal Oversight



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I. Introduction

1. The Office of Evaluation and Internal Oversight (EIO) is responsible for the three **core oversight functions in UNIDO, namely: evaluation, internal audit, and investigation.**
2. EIO is responsible for providing the Director General, the Industrial Development Board, and management with independent and objective assurance and advice through evaluations, internal audits, and investigations. It thus adds value and improves the efficiency and effectiveness of UNIDO operations, internal control framework, risk management, results-based management, and governance processes. **EIO provides evidence-based information that is independent, credible, reliable, and useful,** enabling a timely consideration of findings, recommendations, and lessons learned into decision-making processes at Organization-wide, programme, and project levels. EIO also assesses the extent to which UNIDO programmes and projects, as well as thematic areas correctly address, and effectively achieve the stated objectives of the Organization.
3. The EIO structure and mandate are provided in the Charter of the Office of Evaluation and Internal Oversight¹.
4. As established in its Charter, EIO functions are further aligned with the United Nations and international professional standards, as follows:
 - **Internal audit:** The International Professional Practice Framework (IPPF) of the Institute of Internal Auditors (IIA), including the Global Internal Audit Standards, Topical Requirements and Global Guidance;
 - **Investigation:** The Uniform Principles and Guidelines for Investigations, adopted by the Conference of International Investigators (CII);
 - **Evaluation:** The United Nations Evaluation Group (UNEG) Norms and Standards for evaluation in the United Nations system.
5. EIO also receives direct advice from the UNIDO Independent Oversight Advisory Committee (OAC), in relation to the EIO functions.
6. In 2019, EIO developed its first strategy 2020-2024 that was adopted and issued in February 2020. The strategy was reviewed and updated at mid-term in 2023, which is the basis for the development of the strategy 2025-2029.

Why an EIO strategy?

7. This EIO strategy aims to provide all internal and external EIO stakeholders with an explicit road map of how EIO, through the discharge of its core functions, can further add value to UNIDO's organizational performance and governance, and ultimately **contribute to the achievement of the institutional goals and objectives as reflected in UNIDO's mandate** (Constitution of UNIDO, Lima Declaration: Towards inclusive and sustainable industrial development, Abu Dhabi Declaration) as well as the medium-term programme frameworks (MTPFs) and relevant governing bodies decisions and resolutions.
8. This strategy continues to serve as a **key management and accountability framework, for EIO to establish where we are, where we want to be in the mid- and long-term, and how we can move towards the aforementioned goals.** It will, among others, also provide the basis for aligning EIO biennial work plans of the respective functions while maximizing synergies among those.

¹ Charter of the Office of Evaluation and Internal Oversight, UNIDO/DGB/2020/11, December 2020.

9. The strategy takes into account the internal and external context and considers the challenges and demands from United Nations system-wide developments, including the 2030 Agenda for Sustainable Development and United Nations reforms.
10. Broadly, this strategy will be the basis to further enhancing the oversight and governance of UNIDO, further increasing Member States' and partners' trust and confidence, as well as to more effectively engaging with other external assurance providers, such as the External Auditor and the Joint Inspection Unit (JIU), as well as responding to donors' oversight requirements.
11. In December 2024, on the basis of the EIO Strategy 2020-2024, and its 2023 review, EIO launched the process for formulating its new **Strategy 2025-2029** to reflect relevant changes and developments in UNIDO, including its policies, procedures and frameworks.
12. A strategic SWOT analysis was updated and, as a consequence, EIO's mission and vision were enhanced. EIO's strategic objectives were reviewed in light of the types of services to be performed and the expectations of EIO stakeholders, taking into account, i.a., the results of internal self-assessments and external quality assessments, and the new context and challenges for EIO and UNIDO, including global trends in evaluation, internal audit, investigation, and technological advancements.

II. EIO functions' Stakeholders

13. EIO has to ensure that its evaluation, internal audit, and investigation functions are useful and add value to the Organization. For that purpose, it is also important to identify the different stakeholders. Below table summarizes EIO key stakeholders by their functions and work.

Stakeholder		EIO Evaluation	EIO Internal Audit	EIO Investigation
Internal	Director General	+++	+++	+++
	Managing Directors	++	++	++
	Senior Managers (includes the level of Director, Chief, Head of Unit)	++	++	++
	UNIDO Personnel at large	+	+	(+++)
External	Industrial Development Board (IDB)	+++	+++	+++
	Funding partners	++	++	++
	Oversight Advisory Committee (OAC)	+++	+++	+++

+++ Highly relevant – Main Stakeholders as mandated in EIO Charter and policies (For the investigation function, since their trust and confidence in the internal justice system is crucial.)

++ Relevant - As members of the Leadership Board, and responsible and accountable for organizational decision-making.

+ Important - As business owners and operators of UNIDO processes, programmes, and activities.

14. The OAC has no direct management role, however, it is included in the above table of key stakeholders due to its advisory role to and relationship with EIO. Other assurance providers such as the External Auditor, the United Nations Joint Inspection Unit (JIU) are

not included as direct stakeholders since they have no management role. However, it should be noted that interaction and coordination with them is important for EIO's work. Likewise, the professional networks (UNEG, UNRIAS², UNRIS³, and CII) are not listed here, but they provide important inputs and benchmarks for EIO.

III. EIO Mission and Vision

15. EIO Vision:

Our vision is for UNIDO to be recognized and trusted by partners and stakeholders for the quality, efficiency, and the results and impact of its work.

16. EIO Mission:

Our Mission is to contribute to the achievement of UNIDO's goals by supporting and enhancing sound governance and adequate internal controls, risk management, accountability, innovation, and learning through professional, independent, objective, and useful evaluations, internal audits, and investigations of UNIDO's programmes, projects, processes and activities.

17. EIO Mission elements include:

- Assessing the extent to which UNIDO's operations, processes, programmes, and projects, and thematic areas, governance, risk management, as well as internal control mechanisms **correctly address and effectively contribute to achieving** the stated **objectives of the Organization**; and,
- Enabling **timely management dialogue and actions** based on findings, recommendations, agreed management action plans, and lessons learned from EIO activities that feed into organizational learning and contribute to informed decision-making processes.

18. We maintain four key principles that shall guide how we operate:

- **Independence/Objectivity:** EIO provides unbiased information to support the Organization's decision-making and improve its operations and performance. This requires that EIO personnel can evaluate, audit, and investigate without undue influence or bias. EIO also must have free, unobstructed access to necessary data, information, and resources.
- **Credibility:** EIO's activities must be seen as reliable and trustworthy by stakeholders. Therefore, we use standards that are recognized as valid and reliable, and work with individuals who have the expertise and qualifications to carry out evaluations, audits, or investigations effectively. EIO ensures that the data or information used is accurate, complete, and verifiable, and our analysis is transparent and objective.
- **Utility:** EIO's services must be relevant and useful to the Organization and its stakeholders. To ensure utility, our activities are designed to address the

² United Nations Representatives of Internal Audit Services (UN-RIAS).

³ United Nations Representatives of Investigation Services (UNRIS).

information needs and priorities of the Organization and its stakeholders. This also implies that evaluations and oversight activities should be conducted timely and communicated in a way that is relevant and accessible to stakeholders, and EIO products and services contribute to enhancing learning, accountability and ethical culture in the Organization.

- **Confidentiality:** EIO protects the privacy and confidentiality of anyone involved in our activities, as well as the data and information collected during the evaluation, audit, or investigation. This requires the use of secure methods for data collection and storage and ensuring that access to the data is restricted only to those who need it and are authorized. Our findings are communicated only to those who have a legitimate need to know, and information is used only for the purpose for which it was collected.

IV. EIO SWOT Analysis

19. SWOT Analysis: In order to understand the strategic position and context in which EIO functions are carried out, an updated SWOT⁴ analysis for EIO was conducted to assess the internal (Strengths and Weaknesses), as well as the external (Opportunities and Threats) environment. These elements are relevant to further build on EIO’s strengths, address its weaknesses, capitalize on the opportunities, and recognize the threats. The summary of the key elements of the updated SWOT analysis is presented below:

EIO SWOT SUMMARY

<p>Strengths:</p> <ul style="list-style-type: none"> • Explicit mandate, with clear authority, roles and responsibilities approved by the IDB, and policy framework • Human resources/knowledge/competencies and skills • Institutional knowledge and experience • Quality of services and products providing guidance for management’s decision-making • Enhanced trust and reputation of EIO functions • Enhanced functional independence (direct report to DG and to IDB) • Work plans strategically aligned • Flexibility in implementation of work plans • Types of tailored services (advisories and other engagements) • More value provided with synergies internally between EIO functions 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • No designated financial resources for training, IT tools/services, which would be independently managed by EIO • Limited use of advanced technology • Constrained training and capacity-building opportunities and resources • Limited operational funding, hence impact on operational independence (e.g. current evaluation funding model - project based, or audit/investigation limited operational funding)
<p>Opportunities:</p> <ul style="list-style-type: none"> • Leveraging stronger stakeholder management to enhance alignment and impact. • Leveraging new technologies to improve efficiency and effectiveness. • Continuous demands for enhanced governance, accountability, transparency, 	<p>Threats:</p> <ul style="list-style-type: none"> • Weak organizational systems and culture for Governance, RBM, Accountability, Risk Management. • Limited organizational resources/funding for EIO could negatively impact results and motivation of oversight functions

⁴ SWOT: Strengths, Weaknesses, Opportunities and Threats.

<p>trust and internal justice, that could raise profile and use of EIO services</p> <ul style="list-style-type: none"> • Cooperation within UN oversight networks • More benefits and value from enhanced knowledge sharing & outreach • Synergies with the work of the External Auditor and the OAC 	<ul style="list-style-type: none"> • Prioritization (in terms of time and resources) and limited attention from senior management not sufficient for effective and timely implementation of recommendations and management action plans from oversight bodies. • Limited attention and understanding of EIO functions and mandates by stakeholders. • Oversight fatigue, including from other assurance providers (e.g. External Auditor, JIU).
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V. Alignment of EIO Functions with UNIDO Strategic Goals and priorities

20. EIO's strategic objectives and actions shall be aligned to contribute to UNIDO's strategic goals and priorities and cross-cutting themes as reflected in the medium-term programme framework (MTPF), the MTPF 2022-2025⁵ and the upcoming MTPF 2026-2029.

VI. EIO Strategic Objectives 2025-2029

21. To discharge its **mandate and realize its mission**, EIO work will continue to be guided by the following strategic objectives:

SO-1. Increased effectiveness of EIO functions. Demonstrated added value to UNIDO;

SO-2. Sustained high-quality EIO processes and products.

22. While enhancing the identified EIO Strengths, addressing its Weaknesses, building on the external Opportunities, and considering the Threats, the EIO's strategic objectives (SOs) will be achieved through the implementation of the respective EIO biennial work plans, which will be aligned and consistent with the EIO strategy.

23. **SO-1. Increased effectiveness of EIO functions. Demonstrated added value to UNIDO:**

The ultimate purpose of the EIO functions is to add value to contribute to a more effective, efficient, and impactful UNIDO in achieving its ISID goals and contributing to the implementation of the 2030 Agenda. For this purpose, the EIO functions should be able to feed UNIDO's strategic decision-making through evidence, findings, recommendations, and management action plans to enhance the performance of the Organization. The strategic initiatives to achieve this strategic objective will include:

- Improved EIO alignment with **strategic risks and evidence gaps**, on the basis of UNIDO's priorities and MTPF, 2026-2029, and assessment of senior management needs and challenges.
- Further **sustaining EIO independence**, with senior management, OAC and Member States' support;
- Strengthening the **operational funding** model for EIO functions;

⁵ <https://www.unido.org/sites/default/files/files/2021-08/UNIDO%20Medium-term%20Programme%20Framework%202022-2025%20-%20brochure.pdf>

- Addressing EIO **staff skills and competencies** gaps;
- Active engagement in **United Nations oversight networks** (UN-RIAS, UN-RIS, UNEG) and professional networks;
- Strengthening **communication, reporting, and outreach** (internal and external).

24. SO-2. Sustained high quality of EIO processes and products: The relevant processes used to implement EIO functions to produce the respective products and or services should be kept fit-for-purpose and agile, adapting to new challenges and context and using innovative approaches. To ensure that EIO processes, products, and services are adequate, the following strategic initiatives will be part of this strategic objective:

- Enhance effectiveness and efficiency of EIO functions, through promoting **innovation**, and identifying and use of new technologies in EIO's work;
- Enhance professional development of EIO staff, through adequate training, and opportunities to learn new skills;
- Stronger **quality assurance** of EIO processes and products, taking into account the existing Quality Assurance mechanism to assess EIO functions;
- Ensuring **timely delivery** of EIO products in line with work plans/inception reports; increase agility in EIO's work
- Improving **internal synergies** and efficiency gains within EIO functions and products;

25. EIO will further identify and track the progress and achievement of the EIO Strategic Goals and priorities, through its biennial EIO work plans, and in the EIO annual report that include relevant key indicators aligned with this strategy.