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1 Executive Summary

The UN-Habitat donor satisfaction survey was undertaken from March to June 2017 after recommendation of a United Nations Office of Internal Oversight Services audit and in order to strengthen relationships with donors by enhancing understanding about:

- Donors' development priorities, expectations and funding allocation mechanisms
- Relevance of UN-Habitat's mandate and its strategic alignment with donor priorities
- Donors' perceptions of UN-Habitat's added value and performance in terms of results delivery, efficiency, impact, transparency, accountability, management, reporting and communications

UN-Habitat invited donors that had contributed to the agency's core and earmarked funding during the past five years to take part in an online survey. Donors were also invited to take part in more in-depth interviews, particularly the top five donors from each region. Some 24 donors took part in the online survey while 15 were interviewed face to face or via telephone and Skype.

The main findings from the survey are given below:

Mandate: the most important aspects of UN-Habitat's mandate according to donors were *SDG 11 to make cities and human settlements inclusive, safe, resilient and sustainable*, and more specifically economic growth that is inclusive of women and youth, environmental issues, humanitarian work relating to disasters and conflict, and to some extent housing, and water and sanitation.

Performance and added value: UN-Habitat's added value on policy development was valued the most while country programmes, research, and capacity building were also appreciated. The agency was widely recognised for its technical expertise, professionalism and thought leadership in urban matters particularly planning. Also commended were the agency's networking capacity, access to both national, local authorities and communities, performance on cross-cutting issues and good operational work in some countries.

Donor priorities and expectations- humanitarian assistance, environment, health, and gender were highlighted as top priorities for high income donors whereas infrastructure, housing, basic services were more important to developing country donors. In terms of expectations, results delivery, accountability, transparency, reporting, efficiency and visibility of donors contributions, particularly with other member states and political regions were important to donors. With respect to communications, email, newsletters and the website were the most preferred methods, and the type of information most requested was thematic reports on urban issues and country reports.

Positive aspects highlighted – technical expertise, impact of agency's work on policy and top level decision making, leadership in the shelter sector of humanitarian work, improved evaluation planning and coverage, good donor relations website

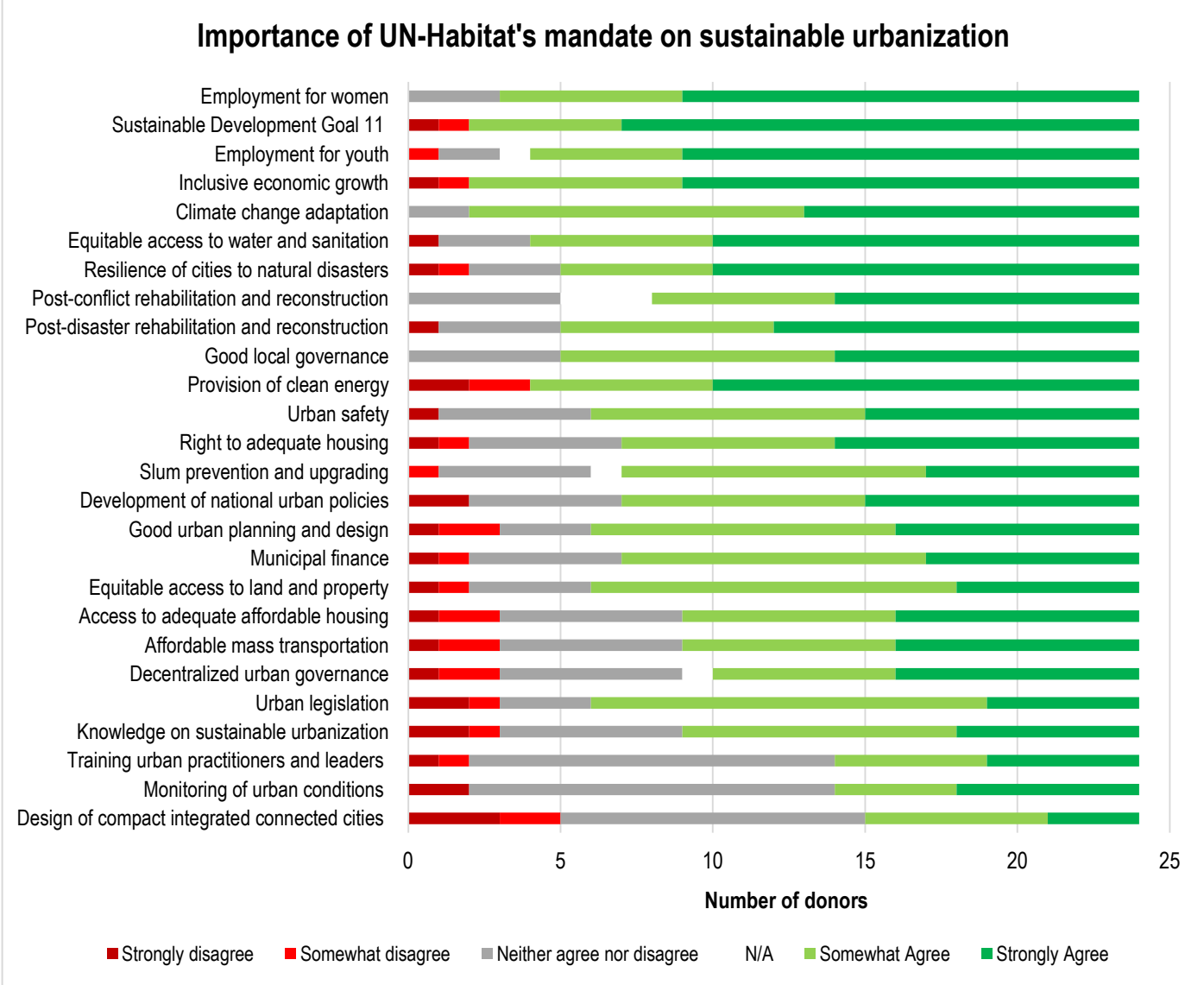
Recommendations – the main recommendations for improvement arising from the survey are:

- Communicate and demonstrate impact of UN-Habitat's work using concrete measures, through evaluations, the annual report, field trips, briefings, and communications to larger audiences.
- Improve transparency and financial reporting to enhance trust
- Increase level of core resources
- Improve efficiency including timely delivery through better administrative procedures particularly for operational programmes
- Improve management, leadership, coordination, internal accord and staff motivation
- Improve consistency and timeliness of reporting of all programmes and in context to their contribution to delivery of the strategic plan

2 Online Survey

2.1 Relevance of UN-Habitat’s mandate

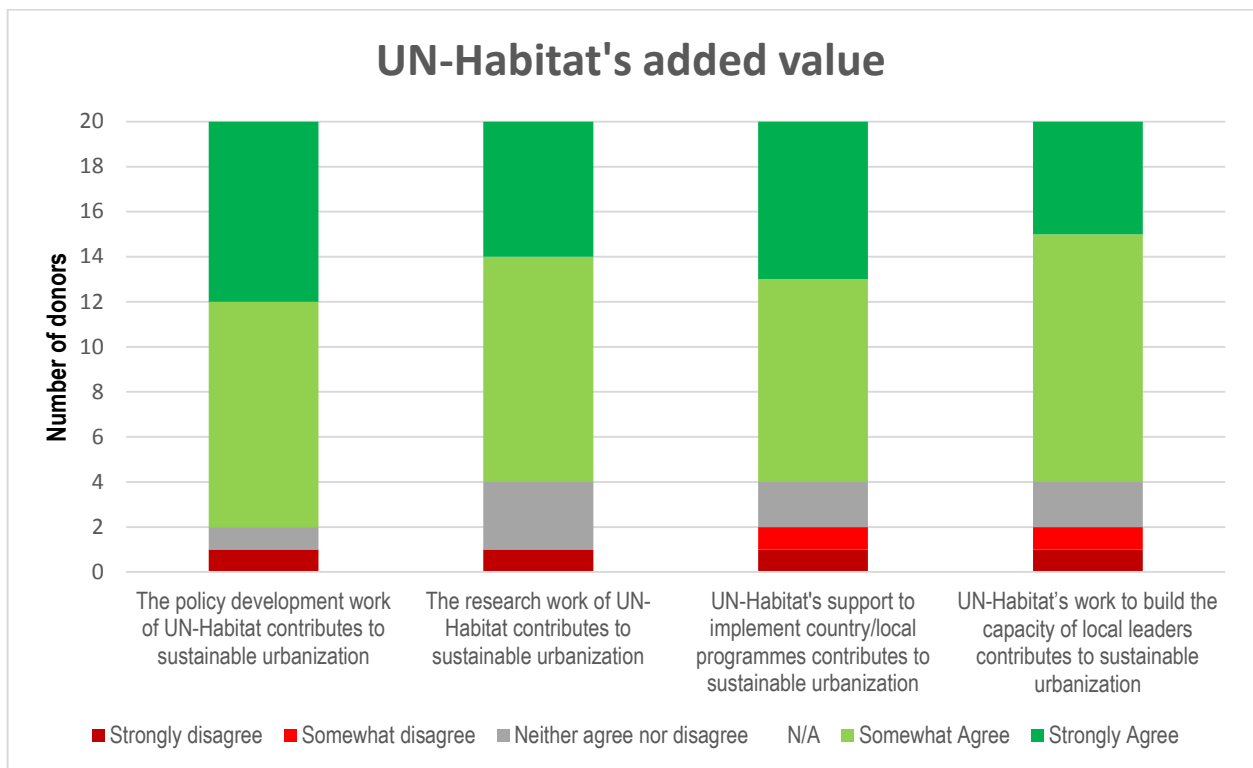
Respondents were asked which of the strategic thematic areas were of priorities to donors – the list below shows the areas of most important in descending order and the green bars show where donors somewhat or strongly agreed that themes were of priority. Economic issues, climate change, water and sanitation and responding to conflict and natural disasters emerge as the top priorities.



2.2 Perceptions of UN-Habitat

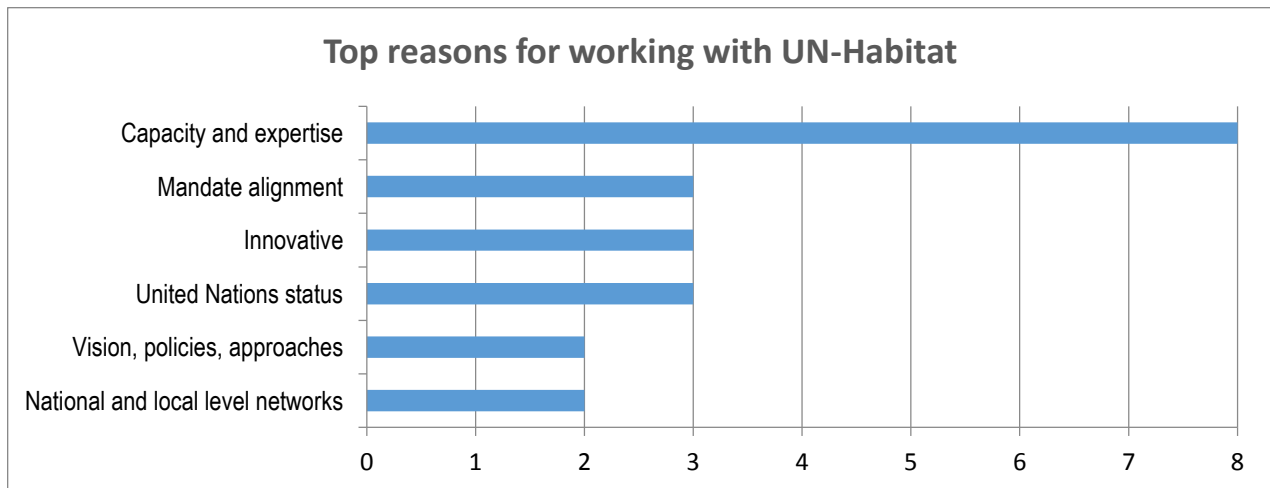
2.2.1 UN-Habitat’s added value

Respondents were asked on the type of work that UN-Habitat’s does that most contributes to sustainable urbanization; policy development was seen as the most important followed by research, country level support and capacity development.



2.2.2 Reasons for working with UN-Habitat

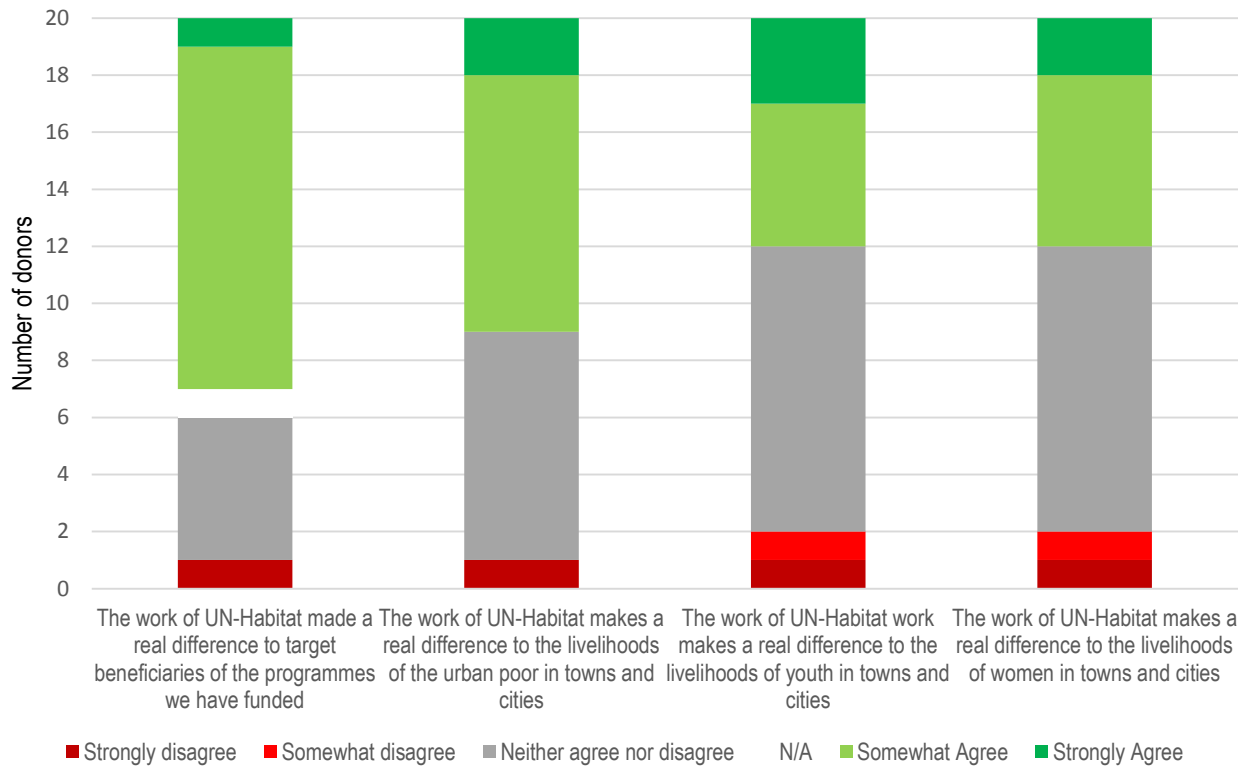
The top reasons donors gave for working with UN-Habitat are ranked below.



2.2.3 Impact of UN-Habitat's work

Donors were asked whether UN-Habitat's work made a real difference to target beneficiaries. There was more agreement that the agency made a difference in the lives of beneficiaries of specific programmes and the urban poor but less than half of the respondents thought that the agency's work made a difference to the livelihoods of women and youth.

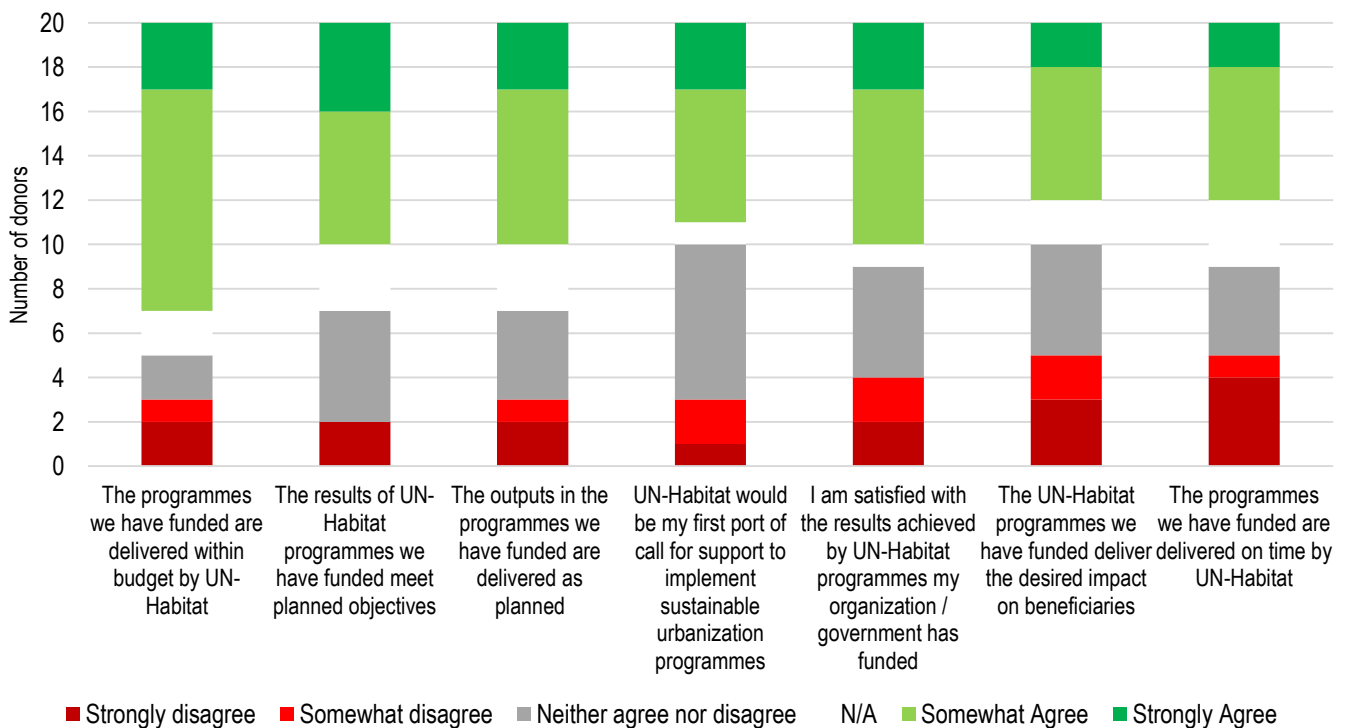
Impact of UN-Habitat's work



2.2.4 UN-Habitat's capacity

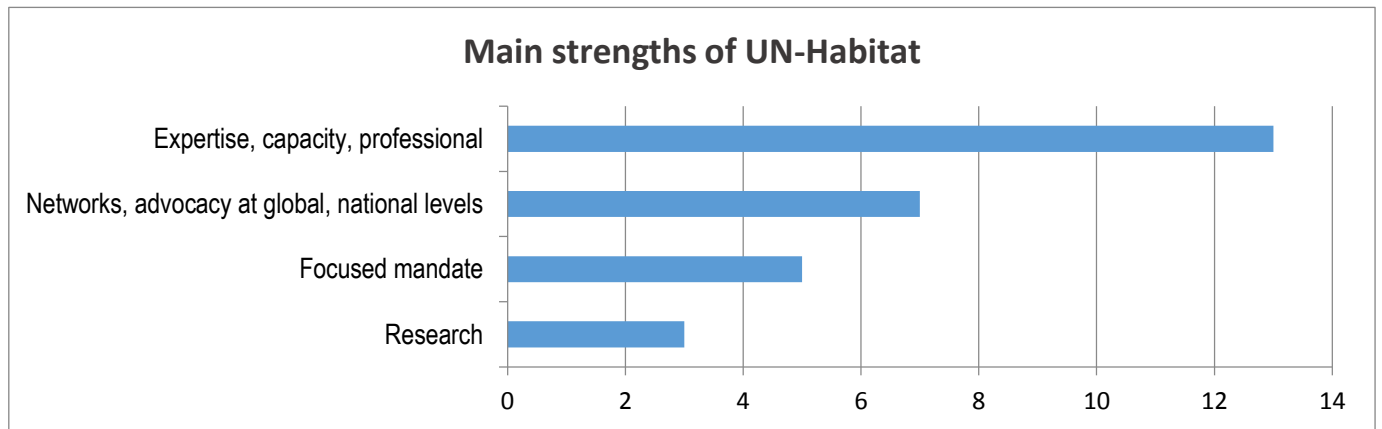
With regard to the efficiency and effectiveness of UN-Habitat, donors' assessment on delivery within budget was positive, while that on delivery of planned results was average but there is less satisfaction with respect to delivery within planned timescales and achievement of desired results on beneficiaries.

UN-Habitat's capacity



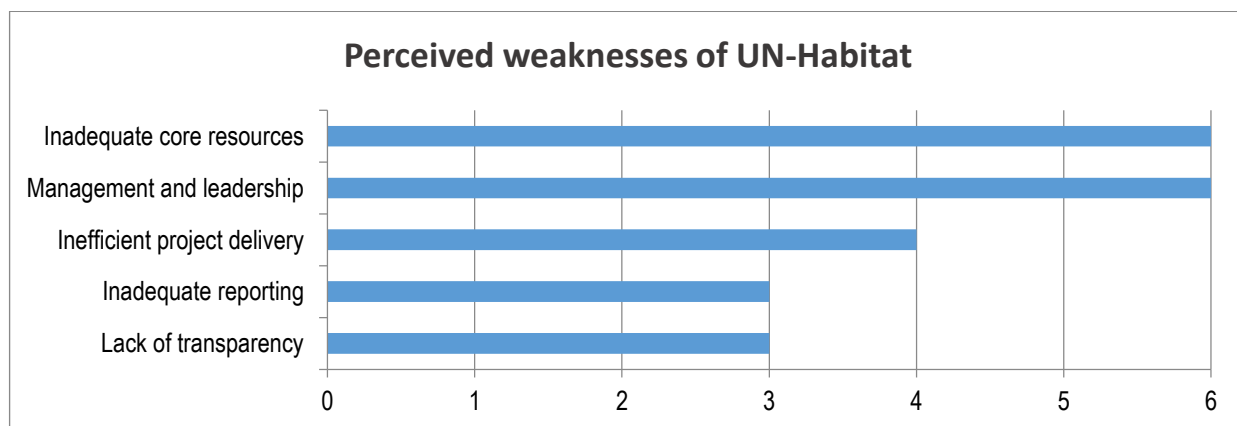
2.2.5 Main strengths of UN-Habitat

The main strengths as ranked by donors are shown below.



2.2.6 Areas of improvement

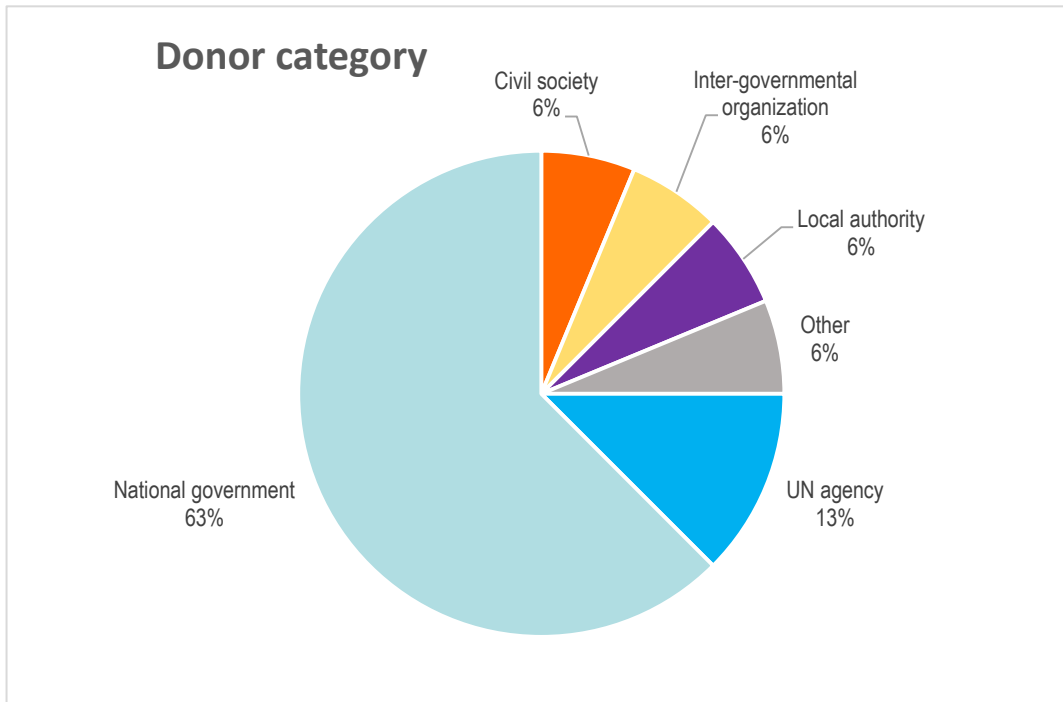
Donors highlighted the ranked list below as the main areas of weakness that need to be improved.



2.3 Donor Profiles

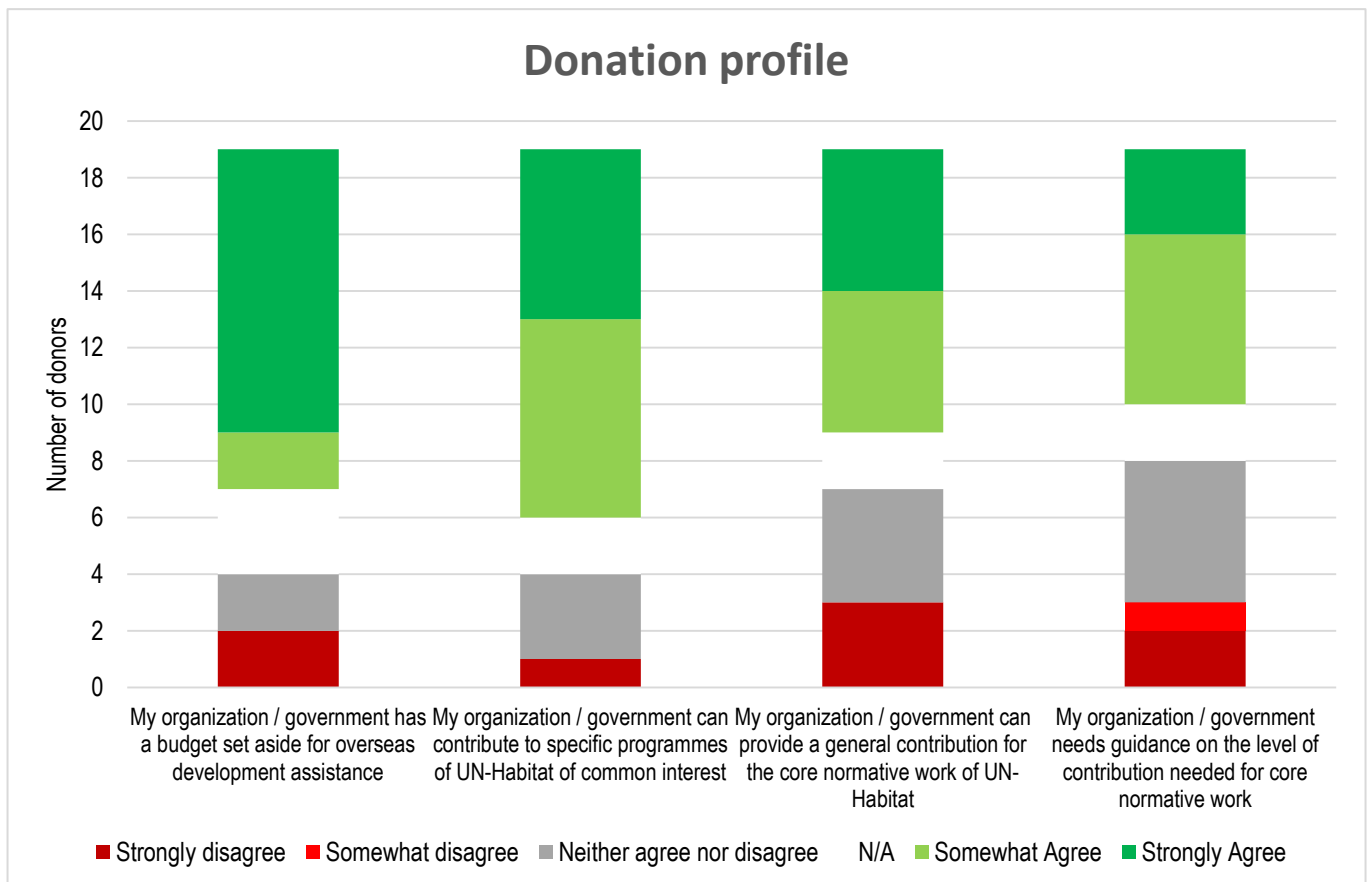
2.3.1 Donor categories

The chart below shows the categories of donor that responded to the survey.



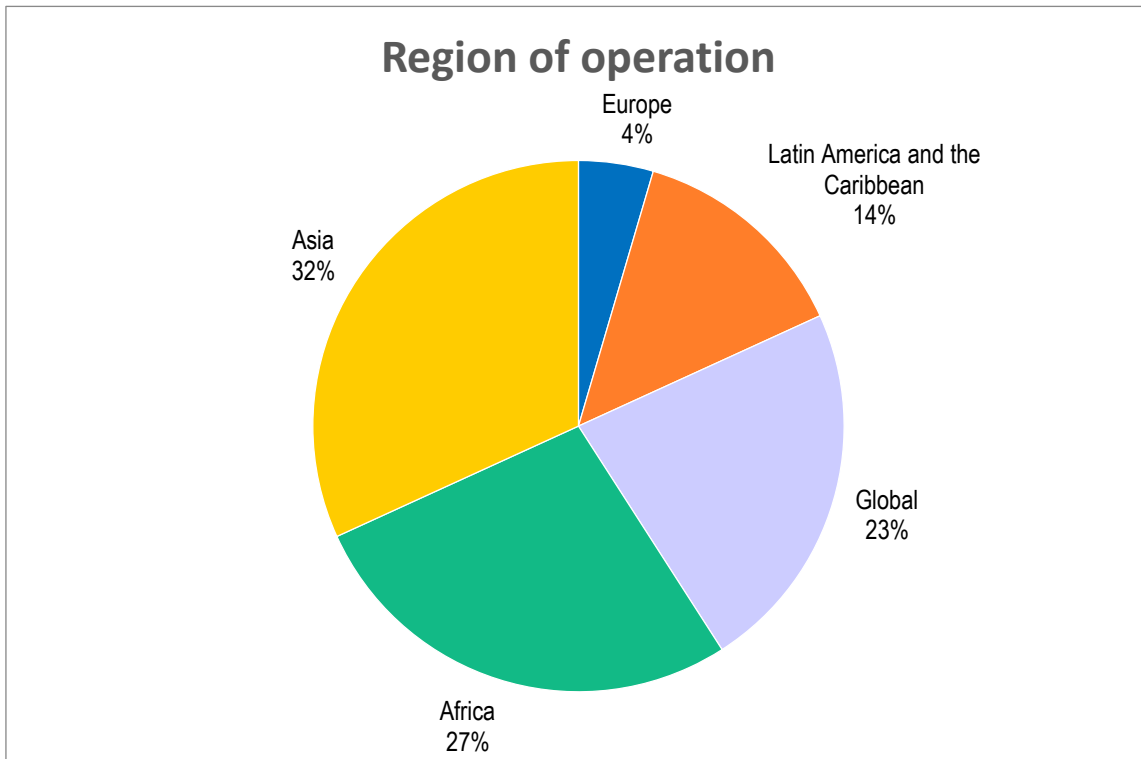
2.3.2 Donation profiles

More than half the donors had budget set aside for development assistance and can contribute to specific programmes; and half could provide a general contribution to the core normative work of the agency.



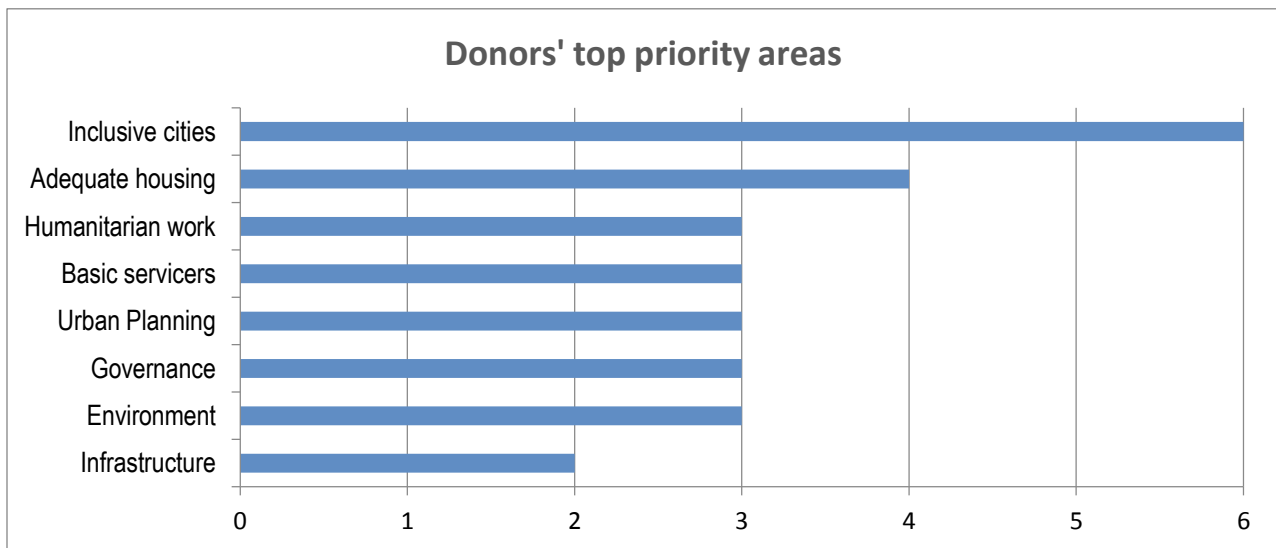
2.3.3 Donor regions of operation

Donors gave their regions of operation in terms of development assistance as shown in the breakdown below. The level of activities in each region match the level of funding received for the agency's operations with most funding going to programmes in Asia, the least to Latin America and the Caribbean and Europe. Countries that have experience conflict or natural disasters were mentioned more often.



2.3.4 Donor priorities

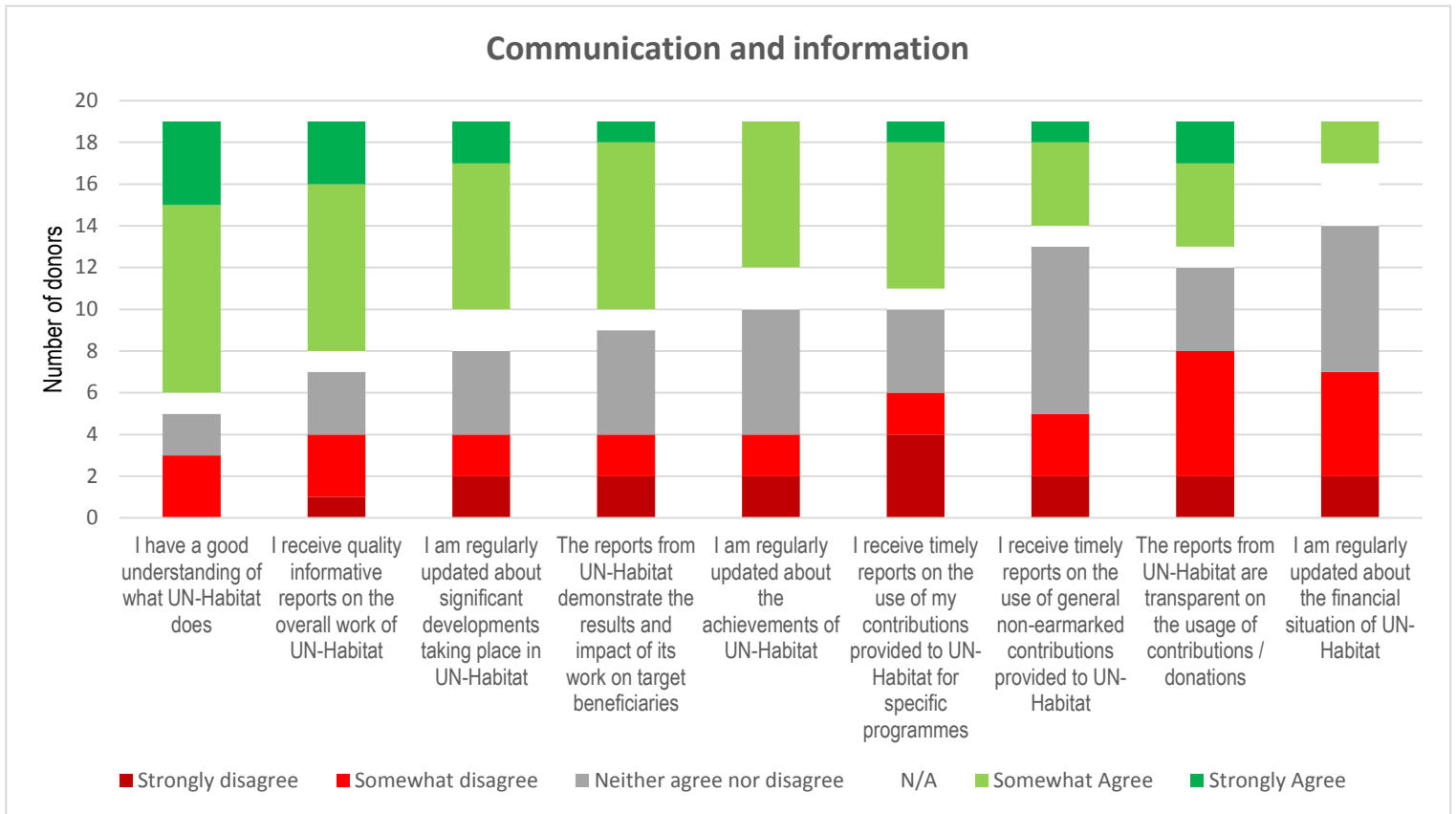
The ranking below shows which aspects of UN-Habitat's mandate were cited as high priorities.



2.4 Communication with donors

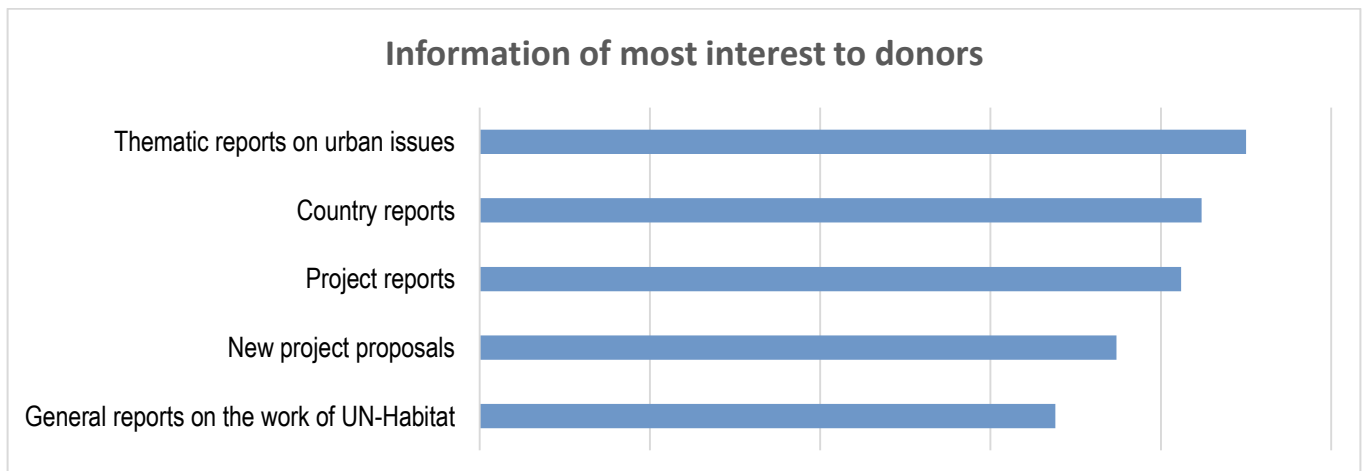
2.4.1 Current communication and information

More than half the donors had good understanding of UN-Habitat’s work and received quality reports on the overall work of the agency; around half were updated on significant developments and results. However, donors were less positive about the agency’s financial reporting and transparency, including use of non-earmarked contributions.



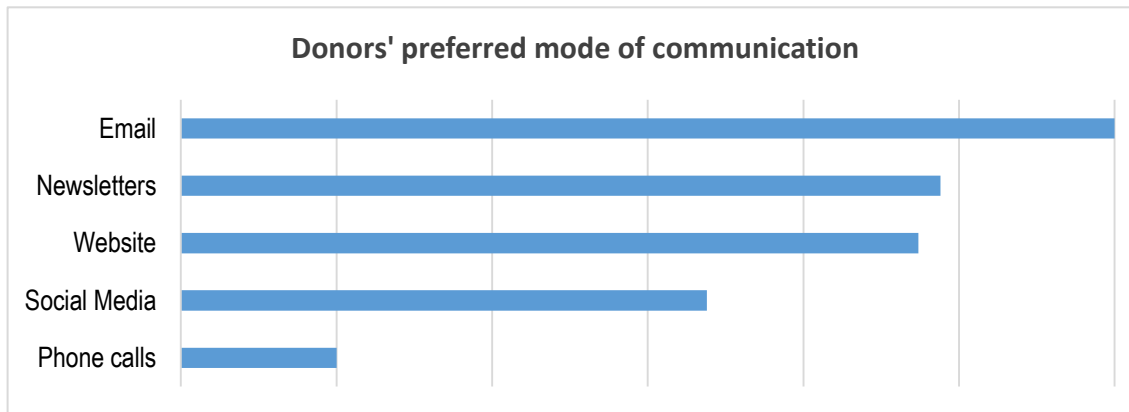
2.4.2 Information of most interest to donors

The ranking below shows which information was considered of most interest to donors in descending order



2.4.3 Preferred communication mode

The ranking below shows donors preferred mode of communication with UN-Habitat.



3 In-depth Survey

In addition to the online survey, UN-Habitat invited the top five government donors in each region and other interested donors to take part in more in-depth donor satisfaction interviews. The countries that agreed to take part in the survey are given below:

Africa	Arab States	Asia Pacific	Latin America	Europe	North America
Ghana	Egypt	China	Brazil (<i>Governing Council delegate</i>)	European Commission / Union	United States
Kenya		Iran		Norway	
South Africa		Japan		Russian Federation	
		Korea		Spain	
				Sweden	
				Switzerland	

Like the online survey, the more in-depth questions sought to find out the priorities of donors and how their development assistance is targeted, gain a deeper understanding of their expectations and knowledge of UN-Habitat's work as well as their perception of the agency's capacity and performance. Interviewees were also asked to advise on the key areas that need to be addressed to improve relations with UN-Habitat's donors.

3.1 Donors' development priorities

Donors from high income countries: For donors from high income countries, the main areas of priorities in terms of development assistance were humanitarian work in natural disaster and conflict situations, the environment including climate change, health, and gender. Also mentioned were SDGs, water and sanitation, housing, security, integrated urban planning, education, security, democracy, and private sector partnerships.

In terms of which major countries donor supported, there was strong support for countries in Africa, least developed countries and fragile states. Some donors also gave support to countries with whom they had political, historical or economic links.

Donors from developing countries: For donors from developing countries the highest priorities were mainly those outlined in their national development strategies and included urban planning, rural development, infrastructure – including transport and electrification, water, sanitation and waste management and housing. Also mentioned were safety and security, social inclusion and youth. Most of these countries funding was

available for programmes in their own countries, with a few providing aid to countries within their region in their areas of expertise or for political reasons.

3.2 Donor expectations

Donors were asked what they expected from organizations that they funded. The most often cited expectations were:

- delivery of results that improve the current situation of target beneficiaries
- accountability and transparency including those of implementing partners
- detailed reporting to donors and other member states
- enhanced visibility of the donor's contribution with other member states, target countries and beneficiaries
- efficiency and good management

Other expectations included usage of donor country expertise, knowledge sharing, implementation with other partners, sustainability of projects and ownership by beneficiaries, policy development, and contribution to the development of countries and regions.

3.3 Allocation of development aid

The way that development aid is allocated in different countries varied from donor to donor. Funds could be allocated from one or more of the following:

- a) development agencies set up to managed development assistants
- b) foreign affairs or specific departments dealing with international organizations – particularly for the non-earmarked contributions
- c) focal point ministries or departments dealing with relevant themes covered by funded agency
- d) embassies at country level for country level projects
- e) as a result of responses to calls for proposals issued by the donor
- f) in response to specific proposals submitted by organizations

Donors indicated that they would choose to work with UN-Habitat where:

- a) UN-Habitat is one of the selected official partners for the donor for particular thematic areas. In such cases, donors usually assess the performance of their strategic partners each year and the results of these assessments affect the level of future allocations. Some countries use MOPAN assessments, evaluations or annual reports to assess organizations; others carry out their own internal assessments, even when they are part of the MOPAN group. Some donors also encourage their partners to work with UN-Habitat, where the agency is their selected partner for urban programmes.
- b) UN-Habitat can make a positive contribution to donors' planned programmes
- c) UN-Habitat has a good track record in a particular country
- d) UN-Habitat recommended e.g. National Habitat Committee
- e) UN-Habitat has a recognized lead role in a strategic thematic area and because of its status as a UN agency
- f) UN-Habitat submits successful submissions in response to calls for proposals

3.4 Donor visibility

Most donors welcomed visibility for their role in supporting UN-Habitat programmes; a few said it was not important as long as their funded programmes achieved planned results. Some, like the EC have very specific visibility guidelines. The type of visibility that donors most requested was:

- a) Political visibility including in Committee of Permanent Representative meetings, official reports of UN-Habitat that are circulated to other member states, their regional organizations, countries in their political region, and to their own capitals
- b) Visibility at project sites, with target beneficiaries, communities and countries
- c) Visibility with donor tax payers

3.5 Results delivery

Donors were asked to give their perceptions on UN-Habitat’s performance with regard to delivery of results; the main messages are given below:

Positive perceptions
<ul style="list-style-type: none"> • Annual report is a good vehicle for reporting on the agency’s delivery of results
<ul style="list-style-type: none"> • Good results delivered for specific programmes and countries

Areas for improvement
<ul style="list-style-type: none"> • Need for more consistency in reporting substantive results using concrete measures
<ul style="list-style-type: none"> • Delivery of results is donor driven rather than demand driven resulting in geographical imbalance
<ul style="list-style-type: none"> • Need for more comprehensive reports on results with details on specific programmes
<ul style="list-style-type: none"> • More timely submission of reports

3.6 Efficiency

Donor were asked to give their perceptions of UN-Habitat’s efficiency

Positive perceptions
<ul style="list-style-type: none"> • UN-Habitat efficient in implementation of normative work
<ul style="list-style-type: none"> • UN-Habitat efficient in bring different stakeholders on board

Areas for improvement
<ul style="list-style-type: none"> • Efficiency in implementing country level operations needs improvement for some countries
<ul style="list-style-type: none"> • Administrative efficiency
<ul style="list-style-type: none"> • Alignment of procedures with delivery model at country level particularly for recruitment and procurement

3.7 Impact of UN-Habitat’s work

Donors were asked what they knew about the impact of UN-Habitat’s work.

Positive perceptions
<ul style="list-style-type: none"> • Specific programmes have resulted in improved policies, produced good models, influenced

institutions and top level decision-making, or have made a difference in the lives of target beneficiaries
<ul style="list-style-type: none"> Evaluations form the basis of measuring the impact of UN-Habitat’s work and there have been improvements in evaluation planning and wider coverage of evaluations
<ul style="list-style-type: none"> Donor field visits have proved successful in demonstrating the impact of UN-Habitat’s work

Areas for improvement
<ul style="list-style-type: none"> Better reporting and communication to larger audiences for greater awareness of the impact of UN-Habitat’s work
<ul style="list-style-type: none"> More evaluations for objective assessment of results

3.8 Information about UN-Habitat’s work

Donors were asked how well informed they were about UN-Habitat’s work.

Positive perceptions
<ul style="list-style-type: none"> Good reporting on specific programmes
<ul style="list-style-type: none"> Donor website provides good reporting for donors
<ul style="list-style-type: none"> Overview of financial situation

Areas for improvement
<ul style="list-style-type: none"> Better explanation on how normative work contributes to operations and vice versa
<ul style="list-style-type: none"> Better reports to explain usage of funds, results achieved and financial situation
<ul style="list-style-type: none"> Quick reports on activities in programmes in every country
<ul style="list-style-type: none"> Consistent reporting and updates on all programmes
<ul style="list-style-type: none"> Committee of Permanent Representatives website content
<ul style="list-style-type: none"> Oral and brief presentations

3.9 Strengths and weaknesses

Donors were asked their views on UN-Habitat’s main strengths and weaknesses and their advice on areas for improvement. A summary is given below.

Strengths
<ul style="list-style-type: none"> Relevant and important mandate with potential to make huge impact in the world
<ul style="list-style-type: none"> World reputation for strong technical expertise, excellent professionals
<ul style="list-style-type: none"> Good operational work in some countries
<ul style="list-style-type: none"> Appropriate size and structure aligned to cover scope of work
<ul style="list-style-type: none"> Clear niche for UN-Habitat
<ul style="list-style-type: none"> UN-Habitat a leader in shelter sector for humanitarian work, including water and sanitation
<ul style="list-style-type: none"> Good relations with local authorities
<ul style="list-style-type: none"> Pioneer thinking on urbanization; works on emerging issues before they become priorities
<ul style="list-style-type: none"> Integration of normative and operational work
<ul style="list-style-type: none"> Urban planning: city profiling, spatial development in urban contexts
<ul style="list-style-type: none"> Networking with different stakeholders, open to cooperation

<ul style="list-style-type: none"> • Provides platform for discussion, adoption and implementation human settlements matters
<ul style="list-style-type: none"> • Tools to support LDCs, developing countries and economies in transition
<ul style="list-style-type: none"> • Good work on cross-cutting issues including gender, youth and human rights
<ul style="list-style-type: none"> • Good representation from member states (58 members)

Areas of concern and improvement
<ul style="list-style-type: none"> • Inadequate core resources
<ul style="list-style-type: none"> • Small size attracts low level of contributions
<ul style="list-style-type: none"> • Need for clearer linkage with wider context particularly Sustainable Development Goals
<ul style="list-style-type: none"> • Control systems, transparency, accountability, trust
<ul style="list-style-type: none"> • Awareness of agency's work, communicating good results, briefings for newcomers,
<ul style="list-style-type: none"> • Inconsistent quality, processes, policies and approaches
<ul style="list-style-type: none"> • Efficiency of operational programmes
<ul style="list-style-type: none"> • UN-Habitat can only recommend, no legally binding conventions
<ul style="list-style-type: none"> • Low participation by member states
<ul style="list-style-type: none"> • Habitat III not adequately exploited to strengthen agency's mission
<ul style="list-style-type: none"> • Greater coordination with countries and other international aid agencies
<ul style="list-style-type: none"> • Shared vision, common voice, internal knowledge sharing, coordination
<ul style="list-style-type: none"> • Management and leadership, staff motivation
<ul style="list-style-type: none"> • Greater presence at country level
<ul style="list-style-type: none"> • Use of donor country expertise and nationals
<ul style="list-style-type: none"> • Highlight clear advantage for working with UN-Habitat

4 Recommendations

The main recommendations coming out of the online and interviews are summarized in the table below by category and importance of recommendation based on the number of respondents that raised the issue.

Recommendation	Level of importance
Mandate	
Make clear UN-Habitat's niche within the sustainable urbanization arena and highlight areas where there is a clear advantage of working with UN-Habitat	Medium
Develop strategic relationships with donors where mandates of UN-Habitat and donor priorities are aligned	Medium
Performance	
Align administrative procedures with delivery model particularly in country programmes	High
Improve consistency of processes, policies and procedures	High
Improve geographical coverage of operational programmes	Medium
Communication and reporting	
Communicate consistently and widely about the impact of UN-Habitat's work	High
Improve transparency and financial reporting on usage of funds - both core and earmarked	High
Deliver consistent quality and timely reports on all programmes and contribution to strategic plan	High
Financial	
Strong financial base for organization's core functions	High
Other	
Improve coordination with countries and other international agencies	Medium
Involve where possible nationals of donors in UN-Habitat's programmes	Medium
Improve management and leadership, internal accord, coordination and staff motivation	High