

Executive Summary

PURPOSE OF THE EVALUATION

In line with Executive Board decision 2007/24, the Evaluation Office of the United Nations Development Programme (UNDP) has assessed UNDP contributions to development results in the Republic of Ecuador.

This evaluation analyzes the roles and contributions of UNDP to the continuity of institutional activities, the safeguarding of the rule of law and the development of national capacities for sustainable human development against the backdrop of a dynamic and complex national and regional context, in which UNDP operates with very limited core resources.

The aspects emphasized in this Assessment of Development Results (ADR) were established in consultation with national and international counterparts during an exploratory mission to Ecuador in August 2007.

This evaluation was undertaken by an independent team of consultants between August 2007 and November 2007. It had the following objectives:

- Produce lessons on past experiences and make recommendations for the next UNDP programming cycle in the country.
- Provide UNDP counterparts an objective evaluation of UNDP contributions to the achievement of development results.
- Support the UNDP Administrator in ensuring the quality of the organization's interventions at the country level.

UNDP performance was evaluated against the expected results, as envisaged in the programme documents. However, the evaluation also aimed to identify unexpected outcomes and missed or created opportunities.

STRATEGIC POSITIONING

The ADR found that UNDP has flexibly responded to national and local demands over the period evaluated, gaining credibility among national and international partners as an effective broker in the development arena. Working under the UNDP 'umbrella' has been mentioned by some bilateral donors as instrumental in gaining legitimacy and avoiding potential political risks associated with sensitive issues. By the same token, national partners have acknowledged the importance of working with UNDP to access international knowledge networks, markets and development financing.

While UNDP interventions have been relevant to national challenges, there is need for more objective criteria in selecting thematic and territorial areas of focus. The 2006 report on development cooperation in Ecuador, published by the Ecuadorian Institute for International Cooperation, highlights a gap between the poverty map and the map of development cooperation in the country. The evaluation did not find evidence of a rational strategy determining UNDP programme implementation priorities; these have been determined by the capacity of national and local actors to formulate and channel their demands and by the availability of financial resources from third parties (either the government or bilateral donors). This may partially explain the perception within civil society that UNDP sometimes has ambivalent positions or is too focused on government issues.

UNDP administrative services have contributed to the continuity of government programmes during times of political instability and institutional fragility; yet, in some cases UNDP has engaged in infrastructure projects that fall out of its direct area of competence or has missed its mandate of international cooperation, *de facto* substituting the role

of national institutions in public administration, rather than creating conditions for and contributing to the development of national institutional capacities.

Brokerage, coordination and the ability to create synergies among different actors have proven to be the added value of UNDP, whose contribution to national development results in Ecuador is not necessarily related to resource mobilization and budget delivery volumes. The lack of a long-term development vision, a clear framework for technical cooperation and knowledge sharing, and a well defined exit strategy are critical factors that have clearly influenced the effectiveness of UNDP interventions. The lack of an effective system for monitoring and evaluation has proven to be a constraint for strategic management. In the absence of quantitative and qualitative follow up on emerging outcomes, informed decision making becomes a challenge. The quality of project implementation is uneven and dependent on the parameters of the executing agency or the personal capability of the project coordinator, with no relation to UNDP project management quality standards.

A structural constraint for UNDP operations in Ecuador has been the lack of core resources and, consequently, the need to follow the supply of funds from local, national and international actors. This situation has spread the programme too thinly across a variety of thematic and territorial areas without a consistent strategy and continuity over time. Among the key challenges that lay ahead of UNDP in Ecuador is the need to strike a balance between a flexible cooperation framework that allows UNDP to respond to national needs and demands while preventing the programme from being spread too thin. While some of the cases analyzed in this evaluation constitute good practice to follow in administrative service provision, it is

critical for UNDP Ecuador to imagine and implement new resource mobilization strategies in areas of UNDP competence and value added that are closely linked to long-term national development objectives and policies.

CONTRIBUTION TO OUTCOMES BY PRACTICE AREA

UNDP contribution to national development results was assessed against the results matrix of the Country Programme Action Plan. The key references for the evaluation of UNDP performance are the UNDP Multi-Year Funding Framework strategic objectives and expected outcomes. Where appropriate, some of the expected outcomes have been aggregated or rephrased in a way that better reflects the actual focus of the programme.

DEMOCRATIC GOVERNANCE

The evaluation found good practices in the area of democratic governance, such as the role played in the restoration of the Supreme Court of Justice. This was widely recognized as an example of how UNDP and the United Nations can best use their reputation of neutrality to mediate among conflicting institutions—helping the country avoid a constitutional crisis and preserve the rule of law.

UNDP support to state and civil society dialogues and to the political participation of marginalized groups were also important initiatives in democratic governance. Civil society representatives indicated that the dialogues and consultation processes supported by UNDP indirectly influenced the design of social policies, such as the 10 Years Education Plan. Failure to implement agreements reached in state and civil society dialogues was attributed to institutional and politi-

cal instability and was not seen as a failure in the dialogue processes *per se*, which are perceived as effective in strengthening social movements and recognizing new social actors. Yet, most of government and civil society actors highlighted the need for clearer strategic focus and greater continuity in implementing UNDP programmes. There is a general perception that UNDP strategy and action were not always consistent on issues such as social participation, dialogue processes, human rights and minority groups such as the indigenous and Afro-descendant peoples.

The evaluation found mixed results in the areas of decentralization and local participatory governance. UNDP support to the city of Guayaquil to develop local capacity for urban development management was a good practice. Yet, the rationale for selecting thematic and territorial priorities in the overall implementation of the UNDP programme was not always clear or articulated in programming documents. The relevance and sustainability of some UNDP interventions was also questionable. In addition, there is room for improvement in medium to long-term strategic vision and continuity of activities. Synergies on the ground with other development agencies, within and outside the UN system, were sometimes less than optimal. The different lines of intervention dealing with local governance—namely, strengthening institutional management capacities and developing methodologies and legal frameworks for citizen’s participation—were dispersed and not articulated in an integrated approach in given territories.

ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS AND REDUCING HUMAN POVERTY

The major UNDP contributions to national development results in this area relate to the positioning of the MDGs in the public agenda and the strengthening of institutional capacities for systematic poverty monitoring and development planning.

The methodology developed and disseminated in preparation of the MDG report is now used as the basis for national and local diagnostic and

planning efforts and has generated a reliable database. The reports produced have been used by universities and the media and have increased awareness of issues related to democracy and human development in the public agenda. Some of the government officials who now play key roles in the National Secretariat for Development Planning have been part of the MDG report team.

Efforts to increase fiscal transparency were also relevant and effective, though they still need to be consolidated. Support for small and medium enterprises in integrated local development projects is an emerging area of intervention and, as such, its effectiveness cannot yet be evaluated, though its thematic relevance for the country is widely recognized.

ENERGY AND ENVIRONMENT FOR SUSTAINABLE DEVELOPMENT

The most tangible outcome of UNDP environmental activities is the reduction of threats to the biodiversity of the Galapagos Islands through the eradication and control of invasive species. Outcomes from the Galapagos Islands project are still emerging. These include: the creation of the first permanent global fund for the control of invasive species; and the installation of renewable energy networks, which have the potential to significantly reduce the consumption of fossil fuels, limit carbon dioxide emissions, and reduce environmental threats from oil spills.

Overall, the effectiveness of UNDP initiatives in energy and environment and the sustainability of results are uneven. Influencing factors include coordination problems between donors and counterparts, efficiency and flexibility in project implementation, and external factors such as tourism and fishery, which work against conservation in the Galapagos Islands. In the immediate future, the challenge for UNDP is to expand its vision and activities to focus on Ecuador as a whole and address the linkages between economic growth, poverty reduction and environmental conservation at the national level.

RESPONDING TO HIV/AIDS

UNDP advocacy and technical assistance contributed to greater commitment from the Ministry of Labour and Employment to the rights of workers infected with HIV. In 2005, the Ministry signed an agreement with UNDP focusing on HIV/AIDS in the framework of labour rights. Training materials and guidelines on HIV/AIDS were produced for the National Council on Labour and the business sector. Activities against discrimination in the workplace resulted in the approval of the Ministerial Accord No. 00398, which penalizes employers who demand proof of HIV/AIDS status as a requirement for employment or dismiss HIV-positive individuals due to their health situation.

CROSS-CUTTING ISSUES

GENDER AND ETHNICITY

Both the national and the local MDG reports produced during the period evaluated provide detailed socio-economic data broken down by gender and ethnicity, showing attention to issues of diversity and gender equality and providing a good basis for targeted policies and programmes. This includes two MDG reports exclusively focused on indigenous and Afro-Ecuadorian people.

UNDP also played a lead role in establishing and coordinating the UN Interagency Technical group on indigenous issues and in establishing a Consultative and Advisory Committee between Ecuadorian indigenous organizations and the UN country team. While these initiatives are important, there is still room for improvement in designing and implementing a systematic strategy for supporting minority groups with a long-term perspective.

In the area of gender mainstreaming, in 2007 the UNDP started a joint UN effort in Ecuador to prepare a toolkit for mainstreaming gender into sustainable development projects. In addition, gender is being mainstreamed in HIV/AIDS programmes and local economic development initiatives. These initiatives are commendable but still at the inception phase.

DEVELOPMENT SUPPORT SERVICES AND NATIONAL CAPACITY DEVELOPMENT

The need for state institutions to guarantee continuity in their operations in the context of political crisis has produced a strong demand for UNDP administrative services, which are defined as *development support services* by the corporate business model. The political instability and institutional weakness that characterized the national context during the period under evaluation required, in many cases, external support to guarantee the efficiency and transparency of public administration. UNDP responded to these national demands in an efficient and flexible way, while guaranteeing its financial sustainability in the context of limited core resources. In some cases, such as that of the Ministry of Education, UNDP contributed to developing greater capacity for efficient and transparent administration. However, UNDP administrative services were not always accompanied by a clear knowledge transfer and exit strategy, so as to avoid generating dependency relations. Such dependency may be conducive to a situation whereby UNDP substitutes the role of national institutions debilitating them in the long run.

Finally, the relevance of UNDP engagement in large infrastructure projects is questioned within UNDP and among its key partners.

UN COORDINATION

UNDP partnerships and coordination within the UN system improved during the period under review. This is attributed, in part, to the UN reform process and, in part, to the ability of the Resident Coordinator to generate spaces for dialogue and coordination without imposing an agenda and while preserving the identities of organizations. The Peace and Development Programme along the border with Colombia is a good attempt at breaking from a pattern of fragmented specialized interventions that has characterized the UN system in the past. However, there is a need for greater cohesiveness and coordination of the UN system on the ground and, occasionally, for better harmonization of political strategies in addressing state and society relations.

MONITORING AND EVALUATION

Evaluations are not conducted as expected in the UNDP evaluation policy. Monitoring does not extend beyond administrative control over project expenditure. Aggregated data on expenditure by practice area are available but not tracked regularly. Financial reporting is not always done within the established deadlines.

In the absence of quantitative and qualitative follow up on emerging outcomes, informed decision making for strategic management becomes a challenge. The quality of project implementation is uneven and dependent on the parameters of the executing agency or the personal capability of the project coordinator, with no relation to UNDP project management quality standards.

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

1. During the period evaluated, UNDP in Ecuador contributed to national capacity development and to the continuity of institutional activities while the country was emerging from a deep economic crisis but still experiencing high levels of political instability and institutional fragility. The image of UNDP as a reliable development partner, capable of acting in a decisive manner during times of political tension, is the result of a strategic vision appropriate to the situation and continuous responsiveness to drastic changes. The ability to move strategically in different situations, and in light of different demands, is evidenced through the plurality of roles played by UNDP in the promotion of sustainable human development: acting as advisor to decision makers and planners, mediating in conflicts that threatened democratic governance, facilitating institutional processes through technical assistance and administrative services, and mobilizing resources for national projects.
2. UNDP was more effective when it was able to create synergies between different actors, even when this did not result in a large budget. Examples include the rehabilitation of the Supreme Court of Justice, the production and validation of the national and local MDG reports, and support to the city of Guayaquil.
3. When the administration of government resources responded to government priorities but was not in line with UNDP comparative advantage and not framed in clear cooperation and exit strategies, it created dependant relations where UNDP substituted the role of national institutions with little or no effect on national capacity development. The tunnel project in Quito and the relation with the Ecuadorian Institute of Social Security are cases in point. On the other hand, when UNDP provided administrative services in the framework of a clear cooperation and exit strategy, it prevented the creation of dependent relationships and contributed to the development of national capacities. UNDP work with the Ministry of Education is an example.
4. A flexible approach that responds to national and local demands is desirable and consistent with the principle of national ownership. However many social groups and some local governments may need support to transform their needs into formal demands and to channel them appropriately. A systematic effort to reach these more vulnerable actors is necessary to contribute to reducing socio-economic disparities across the country.
5. Unpredictability of programme funds constrains the possibility of defining strategic priorities with a medium to long-term vision and implementing the programme accordingly. This may result in a lack of continuity across thematic areas and territories over time, which negatively influences effectiveness and sustainability of development initiatives.
6. The lack of an effective monitoring and evaluation system limits informed strategic management, institutional learning and accountability. It affects institutional memory and knowledge sharing, constraining the possibility to inform public debate on the basis of UNDP experiences on the ground,

which is meant to be a key feature of the corporate strategy as an international knowledge network and knowledge broker.

RECOMMENDATIONS

1. UNDP should be responsive to the government understanding of development challenges, putting greater emphasis on human development as a process of social change that extends beyond the MDG agenda.
2. UNDP should adopt objective criteria for selecting territorial areas of intervention while responding to the need for enhanced efficiency of implementation and coordination on the ground with local, national and international actors.
3. UNDP should clearly align its projects and programmes to medium and long-term national development objectives and policies, and should avoid abrupt interruption of support initiatives, particularly in the areas of human rights, fiscal transparency and local democratic governance.
4. While continuing to act as a development broker, UNDP should diversify its interlocutors in order to choose the best partners for interventions. Work on the MDGs, and poverty reduction in general, should be done in closer partnership with the Ministry of Welfare and other relevant actors of the state and civil society, including the private sector, at the national and local level.
5. UNDP needs to strengthen its capacity to manage for development results, including an effective monitoring and evaluation system. The search for greater focus, better internal communication and synergy, optimization of resources, and effective partnerships must be rationally planned. There is need for a set of indicators that enable quantitative and qualitative monitoring of UNDP work and progress towards expected outcomes.
6. Whenever development support services are provided, they should be framed in a clear cooperation and exit strategy to avoid substituting the role of national institutions and creating dependent relationships that do not contribute to national capacity development. Along this line of thinking, new types of services might have to be envisioned and negotiated in close consultation with the Government of Ecuador.