



1 Executive Summary

This report of the Sudan Country Review covers the period from 1997 through 2001, although the geneses of some of the results studied—most notably with those of the ADS/ARS¹ programme—date to the late 1980s. This executive summary presents the key findings, lessons learned and recommendations of the Country Review Mission in the three main areas of programme relevance and strategic positioning, programme performance and programme management, while also offering some analysis on the issues of coordination, partnerships and resource mobilisation.

PROGRAMME RELEVANCE AND STRATEGIC POSITIONING

1. The structure and design of the First CCF did not reflect or address issues associated with conflict or the endemic nature of natural disasters in Sudan. Nevertheless, the ADS/ARS programme very directly addressed some of the most fundamental issues associated with poverty alleviation, gender in development and participatory development in Sudan.
2. UNDP's programme in Sudan has been compartmentalized and its results dispersed. A rationale exists for UNDP to develop a more coherent and relevant country programme for the next cycle. Specifically, a window of opportunity for peace has opened in Sudan's civil war and UNDP is uniquely placed to bridge the gap from humanitarian assistance to development. In the past year UNDP's nascent peacebuilding² activities

1. Area Development Scheme / Area Rehabilitation Scheme programmes.

2. Peacebuilding is "a hybrid of political and development activities targeted at the sources of conflict... UNDP peacebuilding aims to build and enable durable peace and sustainable development in post-conflict situations," excerpted from "Role of UNDP in Crisis and Post-Conflict Situations," DP/2001/4

have shown considerable potential in terms of strategic positioning and relevance. This area has also demonstrated potential in terms of resource mobilization.

3. That said, UNDP does not yet appear to have a clear strategy to guide its work in the area of peacebuilding, which can potentially involve work on a range of conflicts in addition to the North-South civil war. There is a need for UNDP to develop such a strategy as soon as possible based on a systematic analysis of each of the conflicts. Furthermore, UNDP's involvement in all other areas—energy and the environment, governance and strategic planning—has been relatively ad hoc and lacked concerted analysis, strategy or focus.
4. External debt is in excess of US\$20 billion. Debt repayments as a result place a heavy burden on the Government, which is currently in default on its debt obligations. Increasing collaboration between UNDP and the World Bank by helping to introduce some of the policy foundations for a possible future participation of Sudan in HIPC is likely to create opportunities for future dialogue on the peace process.

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PROGRAMME PERFORMANCE

5. The “flagship” ADS/ARS (80% of UNDP’s programme) represent a viable development model that could be used in peacebuilding initiatives, however the sustainability of ADS/ARS results and their cost-effectiveness remain deep concerns. The programmes established participatory development mechanisms centred on community-based organizations—a ground-breaking development in Sudan that has translated into real improvements in people’s lives. Yet the government has not replicated the ADS/ARS, and the absence of recurrent government budgets, wages and essential infrastructure investments at the local level have diverted finances away from village revolving funds to cover basic social services. This weakened the viability of the funds, which was already low due to a combination of low repayment rates and the reluctance to charge interest in an era of high inflation.

6. The energy and environment component of the portfolio produced significant results, despite being for the most part focused on international conventions. Many of these results—increased access to safe water, increased vegetation cover and production of seedlings—have had a positive effect on people’s lives. Although there is little to say about outcomes—and the ultimate sustainability of the outputs produced—the energy and environment projects do seem to have raised awareness of environmental issues—both locally and nationally—perhaps laying the groundwork for eventual policy change. That said, activities in this sector have been treated in relative isolation and the potential linkages with UNDP’s other programmes—such as the ADS/ARS—have not been exploited.
7. UNDP has initiated preparatory activities in civil service reform and support to the National Assembly. Such projects are unlikely to be strategic at the present time, but could of course be reconsidered further into the country programme if circumstances permit. New initiatives in the area of local governance, however, do appear to hold some promise in terms of an enabling environment and linkages to UNDP’s prior assistance.
8. Activities in peacebuilding to date have also been preparatory in nature and have focused on the creation of mechanisms and processes for information sharing and coordination. They appear to constitute an important beginning, but need to be complemented with a move into more practical peacebuilding activities based on a systematic analysis of relevant conflicts and a strategy for the sector.
9. The past CCF and Country Programmes have demonstrated the value of a number of patterns of intervention—least the area development approach. Lessons learned from them should be taken into account in the formulation and design of future programmes.

PROGRAMME MANAGEMENT

10. Insufficient substantive and financial monitoring on the part of the NEX Management Support Unit (MSU) and UNDP resulted in a serious financial

crisis. Annual audits by the Sudanese Auditor General warned repeatedly of serious shortcomings but neither the NEX-MSU nor the UNDP country office followed up on the findings and recommendations.

11. At its peak, the Area Development and Area Rehabilitation Schemes (ADS/ARS) supported a total project staff of approximately 450, consisting mostly of government officials on secondment. These officials were recruited on a special salary scale that was higher than that of the Government, but lower than that of National Programme Officers at the UN. This was an unsustainable and less-than-ideal use of UNDP programme resources, and also raises concerns of sustainability and national capacity building.
12. Overall, the management issues greatly impacted programme performance and UNDP's reputation in Sudan. The current UNDP country office Senior Management Team has improved UNDP's image among donors and national partners, but the office will need to build its internal capacities to deliver on its programmes and account for resources. One means to do so would be the continuation of the recently adopted direct execution modality combined with capacity building for UNDP and government counterparts; other means could be informed by the programme management mechanisms in force at UNDP's sister funds and programmes.
13. This state of affairs and the subsequent inroads made by the current country office Senior Management Team to turn the situation around under very difficult conditions have been clearly noted by the international community in Khartoum. Many prominent members of the international community praised the current Resident Representative and expressed confidence in his ability to coordinate and to manage the UNDP programme. At the same time, these same people expressed strong reservations about the current lack of depth in the substantive and management capacity of the country office—particularly following the recent downsizing.
14. UNDP headquarters has provided very little support to the country office during the programming cycle. If UNDP is to have a credible presence in Sudan, headquarters

will have to provide extensive support to the country office as well as resources aimed at strengthening the office and its capacity for programming and delivery. If UNDP is unable to effectively address its resource and capacity constraints in countries such as the Sudan where it is already and will in the future be under increasing scrutiny from the international community, it should consider closing down its office and re-allocating its resources to other priority offices.

COORDINATION

15. Development assistance in Sudan is dwarfed by humanitarian assistance and Inter-Agency rivalries are strong, both of which affect UNDP's ability to take the lead in coordination within and beyond the UN system. Any achievements in coordination have been due largely to the personal professional standing of the Resident Coordinator concerned. Based on previous experience and on the emerging development opportunities, the new Resident Coordinator should have a UNDP background and experience. This will bolster both the UNDP country office and the development agenda just at a time when the country office needs support and the development agenda needs leadership.

PARTNERSHIPS

16. Partly because of the nature of international aid to Sudan, the UNDP programme has been implemented largely in isolation of the programmes of other agencies that have focused on humanitarian assistance. UNDP needs to create greater general awareness of its programmes among potential development partners. The failure to do so, at least prior to 2000, negatively affected its profile and credibility.
17. UNDP's key partners in Sudan have been the government and the local beneficiaries in the ADS/ARS. UNDP was restricted somewhat in developing partnerships with non-governmental organizations (NGOs) due to their relative scarcity after restrictions were placed on them, and to their reorientation towards humanitarian assistance. These factors have undermined areas of potential collaboration with

NGOs originally envisaged in the areas of advocacy and rural development.

RESOURCE MOBILISATION

18. Although the UNDP office has managed to mobilise US\$4 million in cost sharing, resource mobilisation has been negatively affected by the sanctions leading to an exclusive emphasis on humanitarian assistance and the use of the CAP as the sole mechanism for pledging of assistance to Sudan. Although UNDP has managed to secure funding for its peacebuilding portfolio under the CAP, the potential use of the CAP as a mechanism for securing funds for other activities is limited as a result of an exclusion of projects with multi-year budgets.