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MISSION REPORT UNDP/UNFPA EXECUTIVE BOARD Field visit to Honduras (19-27 March 2001)

Introduction

1. The UNDP/UNFPA Executive Board delegation to Honduras was composed of nine members representing the following countries: Brazil, Bulgaria, Canada¹, China, Ethiopia, Indonesia², Mauritania³, Russian Federation and Switzerland. The mission was accompanied by Mr. Richard Snyder, Chief, Executive Board Branch, UNFPA.

2. The field visit was very successful, providing the delegation with valuable insights into the role and work of UNDP and UNFPA field offices. The delegation would like to express its sincere appreciation to the Resident Coordinator/Resident Representative, UNFPA Representative and their respective staff for organizing the visit and for their contribution to the delegation's understanding of the roles of UNDP and UNFPA in Honduras. The delegation would also like to thank the Government of Honduras, the municipalities of San Pedro Sula and Santa Rosa de Copan and their civil society partners for their warm welcome and hospitality. The delegation also had opportunities to meet with other members of the United Nations system present in Honduras, the World Bank, the Inter-American Development Bank, the Central American Bank for Economic Integration and the representatives of the bilateral donor community. The delegation wishes to thank all of them for their valuable insight with regard to the increased collaboration in Honduras among the international community and the specific contribution of the United System system.

I. Background

3. Honduras is the second poorest country in Central America. With a human development index (HDI) value of 0.653 in 1998, the country ranked 113 out of a total of 174 countries, according to the Human Development Report 2000. Its current population is 6.3 million and its per capita income is \$760. The distribution of income is extremely unequal and about 65 per cent of the population lives below the poverty line; approximately half of the poor, or one third of the population, live in conditions of extreme poverty and deprivation.

4. The country's low development indicators in general, particularly in health and education, are a result of the accumulation of adverse circumstances over time, such as weak and insufficient economic growth (largely based on the primary sector and often on unsustainable use of natural resources), the

¹ Ms. Ginette Lachance, Counsellor, Permanent Mission of Canada to the United Nations, was selected rapporteur.

² Mr. Salman Al-Farisi, First Secretary, Permanent Mission of the Republic of Indonesia to the United Nations, was selected rapporteur.

³ Mr. Djibril Mame Ly, First Counsellor, Permanent Mission of the Islamic Republic of Mauritania to the United Nations, was selected Group Coordinator.

political instability which characterized the country until the 1980s, institutional weakness, low rates of citizen participation and the natural disaster caused by hurricane Mitch. Honduras suffers from a high level of indebtedness and is now engaged in the debt relief process under the World Bank Debt Initiative for the heavily indebted poor countries (HIPCs).

5. Hurricane Mitch devastated the country in October 1998. Mitch attracted the attention of the donor community to Honduras, creating a new level of awareness regarding the country's development challenges both within the Government and civil society. The delegation, however, was concerned that, despite the concerted efforts by the Government and international community, some segments of population affected were still living in temporary shelters more than three years after the event.

6. Democratic development in Honduras is a work in progress. The political context is marked by lack of continuity, since every four years following election a complete transition transpires within the executive, legislative, judicial and government bodies. This practice obviously complicates the political and administrative continuity and puts capacity development initiatives with the public sector at risk. A number of initiatives are being developed with the help of the international community, and in particular UNDP, to strengthen democratic institutions, support decentralisation and to fight against corruption and nepotism. Positive elements include the growing mobilisation of civil society and the existence of a free press.

II. The United Nations system in Honduras

A. CCA/UNDAF and the Poverty Reduction Strategy Paper

7. The majority of United Nations funds, programmes and specialized agencies in Honduras are located in a new United Nations house. The development of the common country assessment (CCA) in the context of the United Nations Development Assistance Framework (UNDAF) began in 1997; the CCA was entering the editing phase when hurricane Mitch occurred at the end of October 1998. The CCA was later updated to take into account the post-Mitch situation and the results of the Consultative Group, which met for the first time in Stockholm in 1999. Work resumed on the preparation of UNDAF in the summer of 2000. This process is still underway as an inter-agency process. A first draft has served as a basis for discussion with the Government, civil society, the Bretton Woods institutions and other donor agencies represented in Honduras in April and May 2001.

8. The delegation has met with many United Nations organizations during this exercise in Honduras, including UNDP, UNFPA, the United Nations Children's Fund (UNICEF), the Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), the International Organization for Migration (IOM), the World Food Programme (WFP), the International Telecommunication Union (ITU) and the United Nations Educational, Scientific and Cultural Organization (UNESCO). They stressed the importance of UNDAF as a mechanism to foster collaboration among agencies and to work with government experts. For many, the value of the UNDAF is more in the process than in the document itself. As one participant said, the United Nations organizations were "sharing a house" in Honduras, they now feel they have a "home".

9. The delegation noted that, as part of the HIPC initiative, Honduras, under the responsibility of the Minister of the Presidency, has developed a national poverty reduction strategy (NPRS). UNDP has participated actively in this process, producing key studies for the diagnostic part of the PRSP, strengthening the statistical and analytical capacity of the country and encouraging the participation of civil society. The delegation observed that the NPRS has drawn heavily from the national human development report (NHDR). The delegation considers that the contribution of UNDP to the process is worthwhile and is pleased that the proposed UNDAF focuses on supporting the implementation of the NPRS.

B. Aid coordination

10. Aid coordination has become very important as a result of the hurricane Mitch. Following the Consultative Group meeting in Stockholm, a group of donors was established to coordinate reconstruction efforts with the Government. Now counting 8 bilateral and 4 multilateral members (Canada, Germany, the Inter-American Development Bank (IDB), the International Monetary Fund (IMF), Japan, Netherlands, Spain, Sweden, UNDP, the United States, the United Kingdom and the World Bank), the G12 has remained a very active mechanism for coordination. A number of technical working groups have been established under this group, led by government departments and UNDP. Other United Nations organizations also participate in these groups depending on their respective themes and mandates. During exchanges with the World Bank, IDB, the Central American Bank for Economic Integration (CABEI) and bilateral donors, the delegation was able to observe the very positive spirit of collaboration among the various partners and the high level of credibility and support enjoyed by the Resident Coordinator.

C. Strategic planning

11. Both UNDP and UNFPA are currently implementing country programmes that were approved before the United Nations reforms and the Administrator's Business Plans 2000-2003, were undertaken in September 1996 and 1997, respectively, for UNFPA and UNDP) and were extended to 31 December 2001 in order to synchronize the programming periods. New country programmes are thus being prepared taking into account both the new strategic directions at headquarters and country priorities, as defined in the PRSP and the CCA/UNDAF.

12. The delegation wishes to underline the dynamism and the enthusiasm of the UNDP and UNFPA team in Honduras. The staff is young and eager to improve the performance of the organizations and to develop innovative mechanisms, new partnerships and alliances. With regard to UNDP, the delegation has seen the Administrator's Business Plans, 2000-2003, in action at the country level through recent work to promote a strategic review of the organization in Honduras and to redesign systems, particularly with regard to target-setting, budgeting, project screening and tracking.

13. The delegation would like to mention only two examples of the recent changes: (a) the creation of the new Think Tank Unit to generate prospective and integral analysis to influence public policies related to development and democracy; and (b) the establishment of the trust fund, Democracy Trust, to strengthen democracy in Honduras by providing a consensus-building forum for dialogue and discussion between various social sectors on issues of national importance, with the goal of influencing national policies in the long term. Democracy Trust was launched in October 2000 through a Joint Statement signed by the President of Honduras, representatives of 25 Governments, United Nations and other multilateral organizations.

D. Partnerships with the Government and donors

14. The delegation met with the President, Prime Minister, Minister of Foreign Affairs, Minister of International Cooperation and Minister of Finance. They expressed strong satisfaction with United Nations support to government priorities, particularly with regard to poverty reduction, post-Mitch reconstruction, and relations with civil society, governance and the environment. The Minister of Foreign Affairs identified governance as a basic issue for partnership with UNDP, mentioning the Democracy Trust. The Minister also called for greater UNDP assistance in the areas of regional cooperation, conflict prevention and capacity development for emergency response. The Minister of Cooperation mentioned in particular the critical role of UNFPA in assisting the country in developing its national policy on reproductive health adopted in 1999. She also stressed the increased level of coordination in recent years between the Government and the United Nations. The Minister of Finance underlined the role she sees for UNDP in helping the Government to administer loans from the World Bank and IDB, particularly for the social sector, and in helping the country to meet the objectives of the PRSP.

15. In 2000, UNDP disbursed approximately \$44 million in Honduras, including \$2.4 million in target for resource assignment from the core (TRAC) resources, on behalf of the Government, bilateral donors and the multilateral community. Overall, nearly 60 per cent of total resources came from multilateral sources – CABEI, the Global Environment Facility (GEF), IDB, the International Fund for Agriculture Development (IFAD), the World Bank) and 23 per cent from bilateral donors (particularly Japan and the Netherlands, Sweden, the United States). The delegation noted that programmes and projects financed through non-core resources were generally in line with UNDP programming priorities in Honduras (governance, environment, rural development and emergency response). In 1999, however only 8 of the 34 cost-sharing projects generated enough income to cover administrative expenses, as administrative fees charged were very low (1.5 per cent). These fees have now been increased to 3.5 per cent. The delegation noted that UNFPA programmes were mainly funded through core resources but that the possibility of mobilizing additional resources was increasing.

III. UNDP activities in Honduras

16. The first country cooperation framework (CCF) for Honduras was approved by the Executive Board at its third regular session in 1997. The Government has requested a one-year extension of the CCF in order to allow the new CCF period to be synchronized with the programming cycles of other United Nations organizations in the country. The main thematic areas are: (a) poverty eradication; (b) governance; and (c) sustainable development. Following the hurricane Mitch, emergency response has also been added to the UNDP support programmes.

17. Based on meetings that they had with government officials, representatives of United Nations funds, programmes and specialized agencies, the World Bank, regional financial institutions and local civil societies, as well as on visits to projects representing major UNDP intervention areas, the delegation found that UNDP activities were consistent with the strategy set out in the CCF, for 1998 to 2002. In partnership with the Government and other development partners, including non-governmental organizations (NGOs), UNDP has been focusing on two areas of the CCF: poverty reduction and good governance. Most interventions have been in upstream activities, such as policy dialogue and capacity-building, with regard to institutional strengthening. A few direct interventions at the downstream level were carried out mainly as pilot projects.

A. Poverty reduction

18. The delegation observed that UNDP had helped the Government to formulate its NPRS, which serves as the guiding strategic framework and foundation for UNDP efforts in the fight against poverty in Honduras, including through its active participation in the PRSP process. It was noted that UNDP has undertaken activities in this field, in areas such as rural development, community participation, social policies and programmes, and sustainable use of natural resources. The delegation appreciated the significant role of UNDP, in collaboration with the Government, in creating and developing the National Programme for Sustainable Rural Development (PRONADERS). In this regard, the delegation noted the close cooperation between UNDP and the International Fund for Agricultural Development (IFAD) in four rural development projects, including a \$25 million project which was recently initiated.

19. The project sites visited by the delegation appeared to have potentially raised the productivity of the poor, increased income-generation opportunities and improved social and environmental conditions. These also helped to promote the status of women, by greatly improving their participation, increasing their income and enhancing the quality of their daily lives. The delegation noted with interest that UNDP emphasizes the strengthening of local community leaders and organisations, with the aim of increasing community ownership of local development projects, by making them key decision-makers. It was also observed that, with limited resource allocations, UNDP direct interventions (downstream activities) have sought to strengthen links between policy and reality and to play a catalytic, demonstrative role, thereby opening up the possibility of wider replication should the Government or local authorities so desire.

B. Governance

20. In the area of governance, UNDP has played an active role in the implementation of reconstruction projects through, for example, programmes supporting the strengthening of democratic governance and the advancement of social equity. The role of UNDP is particularly noteworthy in the areas of policy formulation, institutional strengthening and human resource development. The delegation was informed that UNDP has been in close dialogue with the Government on policy development and that this exercise had contributed substantially to the high degree of government participation and ownership in enhancing good governance. One striking example was seen in the process of decentralisation, which is the centrepiece of governance reform in Honduras.

21. UNDP activities to promote gender equity through the development and implementation of a coordinated public policy were also noteworthy. The UNDP major undertaking was in the area to institutional capacity-building, particularly through the creation of the National Institute for Women (INAM). The delegation was of the view that, although UNDP has undertaken many good programmes in the area of governance, such as support for the reform of the armed forces, many challenges remain, including the need to assist the Government in strengthening its democratic and judicial institutions and in helping it to develop legal instruments. In this context, continued strategic alliances will undoubtedly have to be strengthened.

C. Sustainable development

22. The aftermath of hurricane Mitch has increased the level of awareness in the Government and among the people of Honduras of environmental issues, such as disaster prevention and risk and watershed management. Hurricane Mitch has also attracted wider donors response. The presence of UNDP and other United Nations organizations has been instrumental in assisting Honduras with emergency response and reconstruction. UNDP interventions in this area include restoring river basins in reserve areas; rehabilitating the productive base-communities dedicated to agriculture; increasing people's awareness of the negative impact of environment degradation, particularly caused by deforestation, to their income generating activities; and promoting people's participation in mitigating that degradation. UNDP has also worked with IDB, providing implementation support service to speed up the execution of the environmental management programme.

23. The delegation, having raised questions on the sustainability of project implementation, was informed that UNDP would continue to develop partnerships with other relevant United Nations organizations to ensure the sustainability of investment for projects currently implemented. As Honduras is a disaster-prone country, while appreciating the commendable work undertaken by the Government of Honduras and the international community, the delegation encourages UNDP, in partnership with other organizations; to translate the lessons learned from hurricane Mitch into strategic activities to improve the country's capacity in disaster preparedness and emergency response. The delegation also wishes to encourage the Government and the international community to continue this noble task by addressing the problem of the people who still remain in the temporary shelter in Tegucigalpa.

IV. UNFPA activities in Honduras

24. Despite limited resources, UNFPA in collaboration with the Government and other relevant organizations, has been working successfully to integrate population-related issues into sectoral approaches, national policy planning and advocacy. 'The country programme for Honduras is based on the national population policy, focusing on reproductive health, population and development strategies, and advocacy. UNFPA has actively participated in policy planning and has played an important role in fostering the implementation of the programme of action of the International Conference of Population and Development (ICPD).

A. Reproductive health

25. The delegation learned that UNFPA has played a supportive role in helping the Ministry of Health and other related government institutions to integrate the concept of reproductive health into national policies and programme. It also noted that UNFPA, in collaboration with the Ministry of Education, has developed new approaches to preventing adolescent pregnancy, which includes formalizing population and sex education in school curricula. The delegation appreciated the creation of innovative methodology, in particular the use of the youth magazine, *Pilas*, as an educational tool for introducing students to reproductive health issues.

26. The delegation observed that a number of training programmes have been organized. It was impressed by the significant role that UNFPA has played in the formulation and implementation of permanent training of nurses and auxiliary nurses in the promotion of reproductive health. The training was of great importance since professional and auxiliary nurses are directly responsible for the care of patients, especially women with low incomes, who need high-quality services. In the view of the delegation, the well-prepared educational training package and curriculum will ensure greater sustainability in the promotion of reproductive health throughout the country.

B. Population and development policy

27. UNFPA has played an active role in building the capacity of personnel and institutions in demography, population and development. It has also helped to rationalize the demographic data collection system by supporting crucial surveys and samples to help fill in gaps in the country demographic database. For these purposes, UNFPA and UNDP have managed a joint project supporting the population and housing census to be conducted in Honduras in 2001. This project foresees the modernization and strengthening of national statistics. The delegation encouraged UNFPA, in partnership with other organizations, to continue supporting the Government in this field and to take the necessary steps to ensure sustainability through the establishment of an appropriate national institution is set up.

C. Advocacy

28. The delegation noted that UNDP activities supporting national action on population and development were very important. UNFPA has expanded its advocacy services to help the Government to achieve a national consensus on population issues consistent with the ICPD program of action. The delegation observed that efforts to integrate population and gender into planning and programming have shown positive results. It noted that a number of policies and legislative works in the area of population and reproductive health have been undertaken. Among others, the parliament has also passed the Law on Violence Against Women (1997) and the Law on Equal Opportunities (2000).

D. HIV/AIDS

29. The delegation was deeply concerned that Honduras is the most HIV/AIDS-affected country in Central America. The delegation took note of the relatively strong surveillance despite the continuous major under-reporting of HIV/AIDS cases. The delegation, therefore, was of the view that UNFPA may strengthen its intervention in prevention and control of sexually transmitted diseases and HIV/AIDS. Access to medical care, vertical transmission and orphans are among various priority issues that need to be addressed properly. The recent establishment of an expanded Theme Group of the Joint United Nations Programme on HIV/AIDS, including United Nations agencies and representation from the Government, civil society and donors, as well as the creation of a UNAIDS trust fund, should ensure better coordination and partnership in addressing this issue.

V. Recommendations and conclusion

30. The delegation was pleased with progress made in the development of UNDAF, but considers the next consultation phase to be crucial in obtaining the views and commitment of the Government.

Considering the current political campaign, it is important to ensure proper consultations with political parties so that whoever enters office after the election will have a sufficient level of ownership of UNDAF. The delegation has also noted that the current draft does not contain a result indicators framework and suggests that more attention be given to this issue in the final document.

31. The delegation welcomes the contribution of UNDP towards developing the PRSP, as well as the organization's intention to support its implementation through UNDAF. This partnership with the Government and among United Nations system organizations, including the World Bank, could be emulated in other countries. Therefore, the delegation considers that, if the UNDAF process is completed successfully in the coming months, with the concurrence of the Government, the country team could be invited to present its experience at a joint meeting of the Executive Boards of UNDP/UNFPA and UNICEF, with the participation of WFP or during the Economic and Social Council segment pertaining to operational activities for development.

32. The delegation encourages UNDP and UNFPA to continue to participate actively in aid coordination mechanisms, particularly the G12, and to strengthen their partnerships with the Government and bilateral and multilateral donors.

33. The delegation noted the success of UNDP in mobilizing significant non-core resources in Honduras. UNDP should continue to ensure that non-core resources are aligned with its strategic priorities and that income generated covers administrative fees. Moreover, the delegation encourages UNDP, in the context of cost-sharing arrangements, to ensure that it does not serve only as a management facility but that it provides value-added, through strategic advice in areas where UNDP has a comparative advantage.

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