

# UNITED NATIONS DEVELOPMENT PROGRAMME



# UNDP

Distr.  
GENERAL

DP/1983/9  
25 March 1983

ORIGINAL: ENGLISH

GOVERNING COUNCIL  
Thirtieth session  
June 1983  
Agenda item 4(b)

## PROGRAMME IMPLEMENTATION

### IMPLEMENTATION OF DECISIONS ADOPTED

BY THE GOVERNING COUNCIL AT PREVIOUS SESSIONS

#### Pre-investment activities: evaluation of special training

##### Summary

The Governing Council, at its twenty-eighth and twenty-ninth sessions in decisions 81/22 and 82/9 respectively, requested the Administrator to report to its thirtieth session on the evaluation of the special training in investment development arranged for Resident Representatives and Deputy Resident Representatives. The present report is provided in response to that request.

1. Based on the Note by the Administrator presenting the consultant's study on UNDP and Pre-investment (DP/472) and the Administrator's comments on that study (DP/479 and Corr. 1), the Seminar on Pre-investment Projects was designed to increase participants' awareness and knowledge of the critical elements involved in the successful preparation, appraisal and financing of pre-investment and investment projects and in the linkages between pre-investment and investment. By ensuring that participants were operationally familiar with the main requirements for preparing successful projects and for associating them with potential sources of finance correctly at an early stage, the seminar aimed to contribute directly towards increasing participants' effectiveness in providing the support necessary to facilitate governments' efforts in giving priority to the pre-investment project component of their country programmes.
2. Interim progress reports on the implementation of these ten day seminars, organized in conjunction with the Economic Development Institute of the World Bank, have been provided previously to the Council (DP/521 and DP/1982/12/Add. 1). In the process of acquiring experience in dealing with the diverse backgrounds and particular needs of UNDP participants, each successive seminar was altered in terms of content as well as training methodology in order to increase the relevance of the overall programme and, at the same time, to increase the achievement of the stated objectives. (Table 1)

Table 1

Summary evaluation by UNDP participants of 1980-1982 seminars:  
Extent to which seminar objectives were achieved

(Percent of responses by category)

<u>Category</u>	<u>Seminar</u>			
	<u>April 1981</u>	<u>November 1981</u>	<u>February 1982</u>	<u>December 1982</u>
Fully	0	14	48	48
Reasonably adequate	73	64	48	52
Inadequately	27	23	5	0
Not at all	0	0	0	0
	100	100	100	100

3. In order to assess the potential usefulness of the seminars to the work of the Resident Representative and Deputy Resident Representative, a detailed questionnaire was administered at the conclusion of each seminar. This evaluation was followed by additional analysis and discussions in Washington, D.C., between participants and the instructional staff of the EDI and later, in New York, with staff from the UNDP Training Section and Investment Development Office. On the basis of these evaluations, the seminar was revised to better meet the needs of future participants. The results of topic revisions and changing approaches indicate a progressive and increasing utility of each seminar as may be seen in Table 2.

4. Increased attention to the operational requirements of Resident Representatives and their staffs was provided by the second seminar in November 1981 through a more in-depth review and case analysis of UNDP's involvement in specific pre-investment activities. The third seminar was revised to focus more upon substantive topics and techniques of practical value to participants. Elements of theory and administrative arrangements, with which many participants were familiar, were provided in the expanded background literature and a new UNDP case study, designed to have more general applicability to the various situations faced by participants in different countries, was introduced. Through the detailed review and analysis of the successful experience of a selected UNDP office, participants identified and assessed alternative courses of action and critical decision points at each stage of the project cycle and gained further insights of direct relevance to their own role in the development process. The experience of individual participants was dealt with in a much more structured manner in the fourth seminar which emphasized, at each step, specific on-the-job expectations for participants while maintaining a balanced focus upon World Bank procedures and approaches. Revisions based upon regular evaluation have produced a seminar which is both efficient and effective in its present format. An outline of the content for the latest seminar, 4-15 April 1983, is provided in Annex I to this report.

5. Seminar follow-up meetings held with UNDP participants in New York were also adapted in line with these evaluations. Building upon the substantive topics covered during the seminar itself these meetings further addressed, within the UNDP context, suggested approaches for the application of knowledge and skills gained. Annex II to this report provides a general outline of this supplementary programme.

6. Specific action plans drawn up by participants, coupled with a review of their detailed analyses of the present pre-investment situation in their countries of assignment, affirm that planned new initiatives and renewed and revised efforts to monitor and support existing technical co-operation projects with investment potential have been facilitated by seminar attendance. In addition, the opportunity provided through group review of these plans and analyses enabled each participant to draw upon the relevant UNDP experience of his or her own colleagues as well as upon the World Bank experience provided by seminar staff, to ensure both feasibility and practicality of approach.

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Table 2

Summary evaluation by UNDP participants of 1981-1982 seminar topics:  
potential usefulness of subject matter covered<sup>a/</sup>

<u>Topic</u>	<u>Seminar</u>			
	<u>April 1981</u>	<u>November 1981</u>	<u>February 1982</u>	<u>December 1982</u>
1. Investment planning and UNDP pre-investment activities	1.8	2.7	<u>c/</u>	3.4
2. Planning and the project cycle	2.5	3.1	3.1	3.6
3. Natural resource surveys	2.9	2.8	<u>d/</u>	<u>d/</u>
4. Project identification and preparation including pre-feasibility studies	2.6	3.5	3.3	3.6
5. Cost-benefit analysis	3.3	3.6	3.3	3.5
6. Use of consultants and consulting firms	3.4	3.3	3.3	3.3
7. Project organization and management	2.2	<u>b/</u>	3.0	3.4
8. Umbrella projects	2.3	<u>d/</u>	3.2	3.0
9. Sources of finance and finance package	3.3	3.3	2.9	3.1
10. World Bank terms and procedures	3.5	3.3	3.5	3.6
11. UNDP project case studies	2.7	3.2	3.1	3.5
Average rating <sup>e/</sup> of course:	2.66	3.27	3.24	3.37

a/ Average rating of participants using a scale of 0 to 4, with 0 as "worthless" and 4 as "excellent"

b/ Addressed under topic 4

c/ Not rated

d/ Not covered as an independent topic

e/ Rating is based upon average of individual sessions, where more than one subject may be included under topic title given above

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7. The diversity of situations and considerations taken into account in this exercise was facilitated by the heterogeneity of the group itself and in the rather even distribution of UNDP participants. As can be seen from Table 3 approximately 56 percent of UNDP offices in a least developed country (LDC) are staffed by at least one past seminar participant.

**Table 3**  
**Number of UNDP offices by region in least developed countries**  
**with one or more staff members<sup>a/</sup> having attended Seminar 1981-1983<sup>b/</sup>**

	<u>Attended</u>	<u>%</u>	<u>Remaining</u>	<u>%</u>
RBA	11	46	13	54
RBAS	3	75	1	25
RBA <sup>c/</sup>	5	71	2	29
RBLA	1	100	0	0
<b>TOTAL:</b>	<b>20</b>	<b>56%</b>	<b>16</b>	<b>44%</b>

a/ Duty station as of 15 February 1982

b/ Includes confirmed participants to 4-15 April 1983 session

8. Similarly Table 4 shows that past participants are presently assigned to approximately 63 percent of all UNDP offices. Further statistics on the representativeness of the training are found in Table 5.A and 5.B which indicate that 43 percent of all Resident Representatives and Deputy Resident Representatives have attended the seminar. A review of individual offices with at least one staff member having participated in the seminar is provided in Table 6.

**Table 4**  
**Number of UNDP offices by region with at least one**  
**staff member<sup>a/</sup> having attended seminar in 1981-1983**

	<u>Attended</u>	<u>%</u>	<u>Remaining</u>	<u>%</u>	<u>Total Offices</u>
RBA	20	48	22	52	42
RBAS	17	85	3	15	20 <sup>c/</sup>
RBAP	15	65	8	35	23 <sup>c/</sup>
RBLA	17	71	7	29	24
UFE	3	50	3	50	6 <sup>d/</sup>
<b>TOTAL:</b>	<b>72</b>	<b>63%</b>	<b>43</b>	<b>37%</b>	<b>115</b>

a/ Duty station as of 15 February 1982

b/ Includes confirmed participants to 4-15 April 1983 session

c/ Includes one sub-office

d/ Includes Geneva office

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Table 5

**A. Number of Resident Representative by region<sup>a/</sup>  
having attended seminar 1981-1983<sup>b/</sup>**

	<u>Attended</u>	<u>%</u>	<u>Remaining</u>	<u>%</u>
RBA	13	32	28	68
RBAS	9	60	6	40
RBAP	6	40	9	60
RBLA	13	59	9	41
UFE	1	20	4	80
	<u>42</u>	<u>43%</u>	<u>56</u>	<u>57%</u>

Total Resident Representative attended:

42

**B. Number of Deputy Resident Representatives by region<sup>a/</sup>  
having attended seminar 1981-1983<sup>b/</sup>**

	<u>Attended</u>	<u>%</u>	<u>Remaining</u>	<u>%</u>
RBA	9	28	23	72
RBAS	10	56	8	44
RBAP	12	48	13	52
RBLA	6	38	10	62
UFE	3	100	0	0
	<u>40</u>	<u>43%</u>	<u>54</u>	<u>57%</u>

Total Resident Representative attended:

40

**C. Number of New York-based staff member<sup>a/</sup>  
having attended seminar 1981-1983<sup>b/</sup>**

RBA	4	FSSTD	0
RBAS	1	UNSO	0
RBAP	2	OPE	1
RBLA	1	UNCDF	1
UFE	0	UNRFRNRE	0
DGIP	0	BFA/DOF	1
TCDC	2		

Total New York-based staff having attended: 13  
Other attendees not in post 15 February 1983 2

UNDP TOTAL ATTENDEES<sup>b/</sup>:

97

a/ Duty station as of 15 February 1982

b/ Includes confirmed participants to 4-15 April session

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Table 6

Individual offices with at least one staff member<sup>a/</sup>  
having attended seminar 1981-1983<sup>b/</sup>

<u>Attended</u>	<u>Remaining</u>	<u>Attended</u>	<u>Remaining</u>
<u>RBA</u>		<u>RBAP</u>	
Botswana <sup>c/</sup>	Angola	Bangladesh <sup>c/</sup>	Afghanistan <sup>c/</sup>
Burundi <sup>c/</sup>	Benin <sup>c/</sup>	Bhutan <sup>c/</sup>	DPR Korea
Cameroon	Cape Verde <sup>c/</sup>	Burma	Fiji
Gabon	Central African Republic <sup>c/</sup>	China	Malaysia
Guinea <sup>c/</sup>	Chad <sup>c/</sup>	India	Mongolia
Kenya	Comoros <sup>c/</sup>	Indonesia	Philippines
Lesotho <sup>c/</sup>	Congo	Iran	Maldives <sup>c/</sup>
Liberia	Equatorial Guinea <sup>c/</sup>	Korea	Vietnam
Madagascar	Ethiopia <sup>c/</sup>	Lao PDR <sup>c/</sup>	
Mali <sup>c/</sup>	Gambia <sup>c/</sup>	Nepal <sup>c/</sup>	
Mauritania	Ghana	Pakistan	
Niger <sup>c/</sup>	Guinea-Bissau <sup>c/</sup>	Papua New Guinea	
Rwanda <sup>c/</sup>	Ivory Coast	Samoa <sup>c/</sup>	
Senegal	Malawi <sup>c/</sup>	Sri Lanka	
Sierra Leone <sup>c/</sup>	Mauritius	Thailand	
Somalia <sup>c/</sup>	Mozambique		
Swaziland	Nigeria		
Tanzania <sup>c/</sup>	Sao Tome & Principe <sup>c/</sup>		
Uganda <sup>c/</sup>	Togo <sup>c/</sup>		
Zambia	Upper Volta <sup>c/</sup>		
	Zaire		
	Zimbabwe		
<u>RBAS</u>		<u>RBLA</u>	
Algeria	Morocco	Barbados	Argentina
Bahrain	Tunisia	Bolivia	Brazil
Djibouti <sup>c/</sup>	Democratic Yemen <sup>c/</sup>	Costa Rica	Chile
Egypt	Cuba	Columbia	
Iraq	Dominican Republic	Nicaragua	
Jordan	Ecuador	Uruguay	
Kuwait	El Salvador	Venezuela	
Lebanon	Guatemala		
Libya	Guyana		
Oman	Haiti <sup>c/</sup>		
Qatar	Honduras		
Saudi Arabia	Jamaica		
Sudan <sup>c/</sup> & Juba	Mexico		
Syria	Panama		
United Arab Emirates	Paraguay		
Yemen <sup>c/</sup>	Peru		
	Trinidad & Tobago		
<u>UFE</u>		<u>OTHER</u>	
Cyprus	Geneva	TCDC	UNFSSTD
Turkey	Greece	OPE	UNSO
Yugoslavia	Romania	UNCDF	DGIP
		UNRFRNRE	

- a/ Duty station as of 15 February 1982  
b/ Includes confirmed participants to 4-15 April session  
c/ Least developed country

9. In response to the Administrator's invitation, a total of 17 agency staff members have joined their UNDP colleagues in attending the seminar. The Administrator is grateful to United Nations Department of Technical Co-operation for Development, Economic and Social Commission for Asia and Pacific, Economic Commission for Africa, Economic Commission for Western Asia, United Nations Centre for Human Settlements, International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization and International Fund for Agricultural Development for their support in this undertaking and is most appreciative of the contribution made by their participants. (See Table 7)

Table 7

Agency seminar participants 1981-1983<sup>b/</sup>

United Nations		ILO	2
- DTCD	1	FAO	2
- ESCAP	2	UNESCO	4
- ECA	2	IFAD	2
- ECWA	1		
- UNCHS	1	TOTAL	17

a/ Includes confirmed participants to 4-15 April session

10. Consistent with the Council's request in decision 81/22 that such training be extended, upon request of host Governments, to government counterparts, UNDP is presently exploring the possibility of entering into arrangements with other development banks to provide similar training on a regional basis to government counterpart officials and other programme staff assigned to UNDP field offices.

11. The Administrator is convinced that special training such as that organized by the EDI for UNDP is necessary to assist Resident Representatives and Deputy Resident Representatives to analyse the role and nature of pre-investment activity within the country programming process, identify pre-investment possibilities and interest potential investors. This need has become even more profound because of the catalytic effect of this activity and the fact that the resources of the Programme have declined.

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12. It normally takes between two and two and one-half years to prepare an investment project from identification to the loan appraisal stage. In view of the fact that the seminars were initiated only about two years ago, it is a little early to obtain a detailed evaluation of their impact. On the basis of follow-up discussions held with past participants during their periodic visits to headquarters, however, it is clear that they are now better equipped to discharge their roles as advisors to host governments on projects. Not only has the decline of pre-investment content in country programmes been arrested, but the linkage between pre-investment and investment has been strengthened. Information on participants' transfer of knowledge to effect changes related to pre-investment activities in their country of assignment will continue to be gathered and assessed by UNDP. To this extent, UNDP will continue to give special attention to monitoring the pre-investment activities of programmes within those countries to which a past seminar participant is assigned and will report accordingly on these developments to the Governing Council at its thirty-first session.

13. Encouraged by the results achieved so far, the Administrator would like to maintain the momentum of present efforts devoted to this important facet of UNDP's work and ensure that the necessary attention is given to all Resident Representatives and Deputy Resident Representatives whose work would benefit from participation in the seminar

14. While EDI has generously agreed to conduct one more seminar in 1983, scheduled from 4-15 December, it is felt that two additional sessions will be necessary in 1984 and again in 1985. It is expected that by 1986 one such special seminar per year will be sufficient to meet the needs of UNDP to provide governments with staff of the calibre necessary to assist them effectively in their pre-investment requirements. Financial resources to implement this proposal for 1984-1985 would amount to \$320,000 (at current rates) and this had been taken into account in the estimates included in the 1984-1985 biennial budget (DP/1982/44 and Add.1) under category 180 Training.



Annex I

Outline of Seminar content established for April 1983 session:

I. Introduction:

- (a) Seminar Inauguration: Purpose and Overview

II. Project Identification and Preparation:

- (a) National Planning and the Project Cycle;
- (b) Pre-investment Studies: Content;
- (c) Pre-investment Studies: Organization and Use of Consultants.

III. Project Appraisal:

- (a) World Bank's Appraisal Report;
- (b) Cost-benefit Analysis: Costs and Benefits, Time Value of Money and Measures of Project Worth;
- (c) Cost-benefit Analysis: Financial/Economic Analysis and Key Issue;
- (d) Cost-benefit Case: Caribbean Exercise and Policy Issues;
- (e) Cost-effectiveness Case;
- (f) UNDP Pre-investment Project Case;
- (g) Use of Micro-Computers in Project Analysis.

IV. Pre-investment Project Organization and Evaluation:

- (a) Management and Organization of Pre-investment Projects;
- (b) Ex-Post Evaluation of Pre-investment Projects.

V. Sources of Financing:

- (a) World Bank: Terms and Procedures for Lending;
- (b) World Bank: UNDP Co-operation;
- (c) Terms and Procedures for Lending: IFC, SIDA, USAID and Arab Funds;
- (d) IMF: Budgetary Constraints on Development;
- (e) Government Perspective on Funding Sources.

VI. Application:

- (a) UNDP Pre-investment Projects: Possibilities and Constraints.

Annex II

Topics addressed during seminar follow-up meetings held with UNDP participants in New York:

I. UNDP Operational Activities in Investment Planning:

- (a) Discussion on the pursuit of investment planning as a major activity of UNDP;
- (b) Co-operative arrangements with Agencies, special interest arrangements, reimbursable pre-investment studies;
- (c) Discussion on the reporting system currently in use for investment commitments and adherence by the field offices to UNDP guidelines for pre-investment projects.

II. Possibilities for Field Application:

Proposals for arrangements to integrate investment planning and related approaches into field operations, including the establishment of an information system capable of identifying the investment-oriented content in Country Programmes, monitoring the relevant projects, and recording the results of investment planning.

III. Related UNDP Activities:

- (a) United Nations Revolving Fund for Natural Resources Exploration;
- (b) United Nations Financing System for Science and Technology for Development;
- (c) United Nations Capital Development Fund;
- (d) UNDP Office for Projects Execution.

IV. UNDP Co-operation with the Private Sector:

The organizational strength, integrity and flexibility of Industry Council for Development in advising UNDP on the economic and commercial viability of projects was reviewed as an example.

V. Seminar Evaluation:

Assessment of the relevance of the seminar to UNDP pre-investment work, suggestions for improving its format and content, and proposals for follow-up.