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SUPPORT

PROGRAMME PLANNING
COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Implementation of selected country programmes in the
Asia and Pacific region

Report of the Administrator

Summary

This report is presented in accordance with Governing Council decision 81/15 which endorsed the Administrator's proposal to submit to the Governing Council annual progress reports on the implementation of various country programmes, highlighting significant developments.

In the first section, the paper reports on the implementation of programmes in the recipient countries and Territories of the Asia and Pacific region and on programme commitment, delivery, content and directions. Also presented are the results of the mid-term review of the intercountry programme, an exercise conducted jointly by representatives of the Governments in the region and UNDP. In the second section, information is provided on a four-pronged effort to strengthen and improve project and programme management and performance, which included: (a) a review of region-wide evaluation and monitoring actions; (b) a regional study of the tripartite review system; (c) a regional study on the effectiveness of evaluations; and (d) a country study on UNDP assistance over three cycles. Also focused on are special efforts in strengthening aid co-ordination, the round-table meetings for the least developed countries (LDCs), resource mobilization and human resources development.

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INTRODUCTION

1. This report is divided into two distinct but interrelated sections: first, a country-by-country analysis of the field programme in 1984, together with an analysis of the intercountry programme, both of which are centred on the contents of annual reviews; and, second, an account of the principal management initiatives undertaken in 1984 by the Regional Bureau for Asia and the Pacific, both at headquarters and in the field, to strengthen the quality of field operations and thereby give effect to policy decisions of the Council.

2. Programme reviews and implementation. With respect to the first part of this report, it will be useful to consider that the Asia and the Pacific region is characterized more by disparities than by similarities; disparities not only of physical, ethnic and political features, but in the way that technical co-operation is envisaged, used and managed.

3. In this region, there are 34 country programmes, including 7 of the 8 largest UNDP-supported programmes in the world (India, Bangladesh, China, Pakistan, Viet Nam, Indonesia and Burma); also included are countries designated as least developed (Afghanistan, Bangladesh, Bhutan, the Lao People's Democratic Republic, Maldives, Nepal and Samoa). The number of country and intercountry projects in the region (1,587) is larger than for any other. At the same time, there are several countries and Territories which, because of small populations or comparatively higher per capita incomes draw very modestly on UNDP assistance, although the respective role of the programmes may be out of proportion to their size. This would be true for most of the small Pacific Islands and Maldives and, in a different way, for Brunei Darussalam, the Territory of Hong Kong and Singapore.

4. There were \$1.1 billion of programmable resources available to the 34 recipient countries of Asia and the Pacific for the 1982-1986 period, and \$875 million had been committed by the end of 1984. Country programmes had already been approved by the Council in previous sessions for almost every country in the region, for all or part of the present cycle.

5. In 1984, the task of drawing up new programmes to bridge the final years of the third programming cycle and the first years of the fourth programming cycle, 1987-1991, was under way in five countries: Bhutan, India, Indonesia, Fiji and Tonga. Each of these countries held special reviews of their ongoing programmes as a prelude to the new programming exercise. In association with representatives of the participating countries of the region, there was a special review of the intercountry programme. With these undertakings and another 23 countries holding regular annual reviews or

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special exercises, over 80 per cent of the total programme in the region was accounted for. (The Governments of the other countries had decided, as mentioned in previous reports, to hold such reviews at biennial or other intervals, depending on their particular circumstances and needs.)

6. This was the largest number yet of countries in the region which had held comprehensive programme reviews within the same year. Even more important, these reviews demonstrated a basic satisfaction by Governments with the direction and quality of their respective programmes combined with a willingness to make critical adjustments and innovative additions where needed. There were no serious changes in basic programme content or direction. Changes in modalities were more frequent. Many of the concepts identified in the report of the Administrator on measures to meet the changing technical co-operation requirements of developing countries (DP/1984/4) were finding their way increasingly into the programmes of Asian and Pacific countries in 1984 including an increase in national personnel and direction, a greater reliance on government execution and improved co-ordination of aid. In the regional programme there were important advances towards "networking" and cost-sharing. The instrumentality of round-table conferences for LDCs was established.

7. This is not to say that the picture in the region was one of unmitigated success. There were worrisome signs of difficulty in some countries in formulating new programmes, in removing bureaucratic obstacles to quick delivery and in commanding the level of expertise required for the often sophisticated projects being designed.

8. Programme management actions. The second part of this report deals with the significant managerial initiatives undertaken in 1984 for the purpose of translating policy directives of the Governing Council into programme actions. At the centre was an integrated package of exercises to review and strengthen the entire monitoring and evaluation process in the region.

9. There were 438 tripartite reviews of projects in Asia and the Pacific in 1984 including 70 in-depth evaluations, mostly of projects over \$1 million and one cumulative impact study of the entire programme in a single country. In addition, there were over 500 monitoring visits to project sites by the field staff of UNDP and technical officers from the agencies, frequently accompanied by government officials. In 1985, some 540 tripartite reviews are scheduled, and there will be 200 evaluations led by independent consultants in the next two years. Another in-depth country study of cumulative impact is being planned.

10. So heavy a schedule spread over a very disparate range of countries involves careful advance planning and allocation of staff time by all parties concerned, as well as a commitment to avoid pro forma exercises. The Regional Bureau established as a primary management objective in 1984 and beyond both the scheduling and control of these various forms of programme surveillance.

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11. The ways in which this is being done and the lessons learned thus far are discussed in detail in part II below. By way of summary, it might be said here that (a) a good measure of managerial control has been established; (b) the effectiveness of the tripartite review mechanism has been demonstrated, with some suggestions for further improvements; (c) the effectiveness of evaluation machinery was more uneven and has to be upgraded; and (d) while the analysis of a single country programme in depth has recorded many reasons for satisfaction by the Government and UNDP, several tangible steps have been identified for improvement in the future.

12. Each of these has been a straightforward exercise, engineered to demonstrate strengths as well as to uncover weaknesses. To warrant the time devoted to monitoring, the exercise must lead to resolution of programme and project difficulties; to warrant the time and expense devoted to evaluation, it must be honest about what went wrong and realistic about how to avoid any shortcomings in future.

13. Increasingly, Asia and the Pacific is being regarded as the success story of the developing world and the region of the future. These prospects are, of course, just as variable among countries as the other elements mentioned earlier. What all the developing countries of the region share, whatever their stage of development, is a continuing and growing need for technical co-operation and a proven capacity to use it effectively.

I. PROGRAMME REVIEWS AND IMPLEMENTATION

A. Periodic country programme review

14. Twenty-eight of the 34 UNDP-assisted country programmes in the region, as well as the intercountry programme, representing over 80 per cent of the total volume of programme delivery, were the subject of formal or informal review exercises during 1984 or early 1985. These were divided as follows:

(a) Reviews as part of the preparation of new programmes: Bhutan, Fiji, India, Indonesia and Tonga;

(b) Regular periodic programme reviews: Burma, China, the Democratic People's Republic of Korea, the Islamic Republic of Iran, the Lao People's Democratic Republic, Malaysia, Pakistan, Papua New Guinea, the Philippines, Samoa, Singapore, Sri Lanka, Thailand and Viet Nam;

(c) Programmes whose size dictate special review approaches*: Cook Islands, the Territory of Hong Kong, Kiribati, Niue, Solomon Islands, Tokelau, Tuvalu and Vanuatu;

(d) Special review: Republic of Korea (paragraphs 73-79 below).

* Brunei Darussalam, acceded to independence in 1984 and has been consulting with UNDP on the content of a cost-shared programme which, given its limited size for the time being, is likely to involve ad hoc review arrangements in the future.

15. The remaining five countries (Afghanistan, Bangladesh, Maldives, Mongolia, Nepal) either held reviews late in 1983 or will do so in 1985, mostly in conjunction with the preparation of new country programmes. It has been noted before for this region that annual reviews are not always practicable, especially in countries with very large inputs from UNDP and other sources of aid; however, the principle of periodicity established by the Governing Council is being increasingly respected. In fact, the 28 country reviews conducted in the past year are the most ever for a 12-month period. The quality of the government representation has remained high, usually at the director-level from the sectoral department or ministry directly concerned, and often from the Government's co-ordinating authority itself. There has been active participation by the executing agencies, through headquarters or field representatives. Normally, the exercise lasted from one to three days.

1. Reviews within the programme cycle

16. In the Asia and the Pacific region, as in others, the typical country programme review in 1984 covered a wide range of subjects. First, there was the general framework of participation in UNDP, including decisions on the scheduling of the next country programme submission, and matters of programme policy. During its country programme review, the Government of the Lao People's Democratic Republic, for example, reaffirmed the decision to have more universality of nationality participation in its co-operation with UNDP. Some of the Pacific countries, notably Papua New Guinea, Fiji and Tonga, asked for a greater UNDP role in resource mobilization and aid co-ordination. The Government of Papua New Guinea, particularly, welcomed UNDP's initiative in convening informal meetings with other donor agencies and encouraged a continuation of this practice.

17. Most, but not all, reviews dealt with the basic direction of the programme in relation to the priorities set out in the ongoing country programme document. The Government of the Philippines, in a review at year-end, considered UNDP within the context of its external debt crisis and called for its programme to be oriented more to pre-investment studies. In future, technical assistance to the Philippines that might have been financed by loans will be reserved for UNDP and other grant programmes. The Government of the Lao People's Democratic Republic decided that in its next country programme it would give greater weight to training for human resource development. The Government of the Democratic People's Republic of Korea decided that projects in its future programme would be more production-oriented, as one of the nine recommendations arising from its annual review. The Government of Thailand looked at its present programme in relation to the thematic approach it had taken three years ago and, while confirming its value, decided that future programming would be more effective if based on more clearly enunciated and more rigorously applied themes.

18. Sectoral adjustments were made in several cases: the Islamic Republic of Iran, for example, decided to add more resources to its energy, water and industrial sectors; Sri Lanka gave more priority to education. In all, however, the reviews for 1984 did not result in significant programme shifts, thus confirming that, in general, country programmes continued to be closely related to their stated objectives which, in turn, retained priority in their respective national development plans.

19. The core of every review is the list of ongoing and pipeline projects, judgements on the performance of the former and decisions on continuations and changes. The annual reviews in Burma, Malaysia and the Democratic People's Republic of Korea concentrated on this. Typical of this group was Sri Lanka which examined in depth nine completed projects in the fields of health, water supply, census and statistics, education, urban development, forestry, agriculture and exports with the intention of identifying unique factors that had contributed to their successful implementation and which might be of relevance for other projects under implementation.

20. Design and management practices were also put under scrutiny by many countries. The review of the Viet Nam programme concluded that more careful appraisal of project design was required prior to approval so as to assure better implementability. Noting the protracted approval process for new projects, the Government of Sri Lanka and the Resident Representative decided during the review to make more use of technical missions from agencies in project formulation. In Papua New Guinea a decision was made for increased government participation in project-monitoring visits.

21. Finally, modalities of delivering the programme were on most agendas. The review of the programme in China spent considerable time on government execution, which is an important part of the co-operation between China and UNDP. Given the many unique and pioneering aspects of China's experience in this area, it was decided to undertake during 1985 a special evaluation of government-executed projects. In the Pacific islands area, the greater use of United Nations volunteers (UNVs) as well as enhanced Technical Co-operation among Developing Countries (TCDC) were discussed (see paragraphs 38 and 39 below).

2. Reviews preparatory to a new country programme

22. In most of the five countries which spent the year preparing new country programmes for submission to the thirty-second session of the Governing Council in June 1985, the review exercise was an integral part of the larger country programme process, feeding directly into it by virtue of judgements on ongoing projects and sectors and decisions on new directions which are summed up in the separate documents which will be before the Council. In Indonesia and Bhutan, however, the reviews were more self-contained.

23. Indonesia is one of the few countries in the region with large inflows of aid which has had a major analysis of the UNDP-supported programme in each of the last few years. In 1984, in preparation for its third country programme, Indonesia carried out an in-depth study of its ongoing programme. This included, in the initial phase, conducting reviews of 22 sectors and of the role of the ongoing UNDP-supported programme in each. A report on each of these 22 reviews of operations during the second country programme (1979-1984) was prepared and provided the material directly used in the third country programme preparations, including the Resident Representative's Advance Note, and the sectoral consultations which the Government convened and chaired.

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24. The sectoral consultations were a key part of the process and the various ministries, UNDP and other relevant organizations of the United Nations system participated. The consultations allowed for decisions to be made concerning ongoing projects in need of justified extensions (or second phases) and laid the basis for identifying the priorities and needs to be addressed by the third country programme.

25. Indonesia has a relatively large programme of UNDP assistance, combined with a long history of joint co-operation. However, it receives significant development assistance from many other multilateral and bilateral sources. These factors were reflected in the approach to reviewing the ongoing programme and preparing the third programme.

26. A contrasting case is presented by Bhutan which in financial terms has a smaller UNDP-supported programme, but one which constitutes one of the country's main sources of external assistance. Reflecting this situation, a series of sectoral review meetings was held in December 1984, culminating in a round-up session chaired by the Deputy Minister of Planning. A hallmark of the reviews was participation by seven of the principal United Nations systems organizations involved in implementing projects, including the United Nations Industrial Development Organization (UNIDO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the World Health Organization (WHO), and UNV, five of which, as well as the United Nations Fund for Population Activities (UNFPA), sent representatives from their headquarters to attend. In addition, seven agencies which could not directly attend forwarded information for the Resident Representative to present on their behalf. This high level of agency involvement was of considerable utility for the review and programming process given both the geographical remoteness of Bhutan which prevents more frequent agency visits as well as the importance the Government itself attaches to the assistance it receives from the United Nations system.

3. Review of the intercountry programme

27. The most ambitious review of the year was that of the intercountry programme which, with a commitment for 1984 alone of \$29.7 million, represents 15 per cent of the region's operations. The details of this review, which took place in Bangkok in May 1984, are described separately in paragraphs 40 to 50 below.

B. Programme commitment and delivery

28. Given UNDP's overall resource constraints, all the programmes in the Asia and Pacific region have moved forward steadily (in terms of commitments) within the prescribed financial limits. By the end of 1984, of the total programmable resources of \$1.1 billion for Asia and the Pacific, \$875 million, or approximately 80 per cent, had been committed in approved projects.

29. On the other hand, programme delivery in the first three years of the current cycle has been somewhat below the levels that UNDP and Governments had expected, particularly after the high delivery year of 1981 when expenditures totaled \$273 million. In 1982 and 1983 total expenditures were \$199.6 million and \$176.5 million respectively and it is estimated that the figure for 1984 will be approximately \$198 million.

30. It is apparent that the uncertainty regarding financial resources which emerged at the beginning of the third cycle and which necessitated a cautious commitment approach to accommodate the reduction of programmable resources, compounded with the difficulty in maintaining the momentum between programmes from the second to third cycles, particularly for the countries with larger IPFs, has had a dampening effect on delivery.

31. There are at least two other factors possibly contributing to the relatively low delivery figures. First, the fact that standard costs for inputs are applied by agencies across-the-board without distinguishing between regions with differing inflation rates appears to have resulted in inflated project budgets in the Asia and Pacific region. Second, since a substantial portion of expenditures are made in local currencies which fluctuate in value against the United States dollar, the strengthening of the latter has tended to decrease expenditure figures expressed in dollars. On this latter point it should be noted that the strengthening of the dollar has meant that smaller expenditure figures actually purchased more by way of actual inputs delivered.

32. It should be noted also that the foregoing is a general summary analysis for the Asia and Pacific programme as a whole; there were individual country programmes which have registered good or improved delivery in terms of actual expenditures measured against targeted budgets. Throughout 1984, there was a sustained effort by Governments, by UNDP field offices, by agencies and by the Regional Bureau at headquarters to improve management of the delivery process.

C. Programme content and directions

1. Pattern of expenditures

33. The sectoral distribution of UNDP assistance for Asia and the Pacific during 1984 maintained the general pattern for previous years of the cycle, with the exception of a small increase for industry, which increased from a 13.7 per cent in 1983 to 16.7 per cent. Agriculture, forestry and fisheries accounted for the largest portion, 22 per cent, followed by natural resources at 17.9 per cent, then industry at 16.7 per cent, transport and communication at 12.1 per cent, and general development issues, policy and planning at 9.4 per cent, with all other sectors ranging from 1 to 5 per cent.

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34. There has been a continuing trend in the mix of programme components. From the outset of the third country programme, the Asia and Pacific region has featured an increase in training expenditures and a decrease in equipment, thus constituting a distinct change from the experience of the second cycle, 1977-1981. The record for 1984, with personnel absorbing approximately 38 per cent, training 14.3 per cent and equipment 27.3 per cent of total project expenditures, continues the new trend for the third cycle.

2. Modalities

35. Government execution. Forty-five per cent of government-executed projects supported by UNDP were being carried out in the Asia and Pacific region during 1984. Although in percentage terms this was only 6 per cent of all projects in the region, it represents a substantial increase over the 1.8 per cent registered in 1981. Among individual country programmes, China has the largest number of government-executed projects, with 13 ongoing and 3 in the immediate pipeline. The Government of China and UNDP have conducted special training for government officials on the procedures and management of government-executed projects and have also prepared, in Chinese, documentation and forms for use by government officials dealing with projects implemented under this modality. In several of the other countries with large programmes, notably India, it is becoming regular procedure to check out the prospects for government-execution at the initial stage of project formulation.

36. Government management. Another trend is the increasing government-management of projects by the Government where UNDP assistance comes more fully under national policy direction and control with national project co-ordinators replacing expatriate project managers and the United Nations system playing a more limited technical advisory role. In 1984, for the Asia and Pacific region, there were 305 projects with national project co-ordinators, which accounted for 22 per cent of the total number of projects.

37. National experts. Similarly, there has been an increasing use of national experts in UNDP-assisted projects in the region, although the level of such use varies distinctly among countries with Bangladesh, India, Indonesia, Nepal, Pakistan, Sri Lanka and Thailand being the main users. In 1984, throughout the region there were 400 national experts serving on UNDP-assisted projects accounting for approximately 15 per cent of the total number of project professional personnel. Although still in the introductory stage, particular attention is being given to such use of locally available expertise, in view of the continuing resource constraints and escalating costs of long-term international experts.

38. United Nations volunteers. The use of United Nations volunteers continued to receive further emphasis in the region, or at least in those countries where there were practical possibilities or needs. The involvement of United Nations volunteers was particularly successful in the Cook Islands, Samoa and Vanuatu and in the regional domestic development services project. The region has a substantial involvement with the UNV programme not only as a recipient of 311 volunteers, but also as a supplier of volunteers. As the Administrator's annual report on the UNV programme (DP/1985/44) shows, as many as 321 out of 942 United Nations volunteers in service during 1984 originated from countries of the Asia and Pacific region.

39. Technical co-operation among developing countries. The use of the TCDC modality has steadily advanced in the region. Of particular note is the prospect of enhanced co-operation in human resources development between the Association of South East Asian Nations (ASEAN) countries and the south Pacific countries and Territories which is more fully described in paragraphs 88-94 below. The approval by UNDP of an interregional project meant to facilitate TCDC exchanges was well utilized in the region. By the end of 1984, 17 TCDC activities in the Asia and Pacific region had been approved for assistance under this interregional project with UNDP inputs totalling \$145,000. The year also saw continued follow-up activities resulting from the TCDC consultations held in November 1983 at Beijing, where 33 bi-country and 5 multi-country TCDC projects had been identified for implementation between various participating countries, both within and outside the region.

D. Intercountry programme

40. The focal event in the planning and management of the intercountry programme for Asia and the Pacific was a sweeping review of the entire 1982-1986 programme with all the government aid co-ordinators, resident representatives and executing agencies in May 1984 at Bangkok. The meeting with aid co-ordinators, which also embraced other country programme matters discussed elsewhere in this paper, was the second such event. (In February 1981 at New Delhi, Governments of the region had agreed on the content of the five-year programme which was under review in 1984.)

41. In preparation for the Bangkok meeting, a wide range of evaluations was carried out at the sectoral and project levels, and consultations were held with Governments, both individually and collectively; the latter consisted of an intergovernmental meeting of developing island countries in the Pacific and a UNDP/ASEAN dialogue meeting.

42. In examining the principal trends that had emerged during the first two years of the 1982-1986 programme, the Bangkok meeting noted that there had been a considerable effort on the part of the programme to disengage from core funding of regional centres and institutions, which had in the past shown, clear tendencies to continue indefinitely, thereby pre-empting the Governments own rightful roles. While welcoming these efforts, the meeting called for an overlap in phasing out institutional support and phasing in programme support. At the same time, it reaffirmed that the multiplication of new centres and institutes should not be resumed and recommended that the trend towards projects operating under networking arrangements, especially those based on existing institutions at the national level, should be further encouraged.

43. With regard to the distribution of resources by sector, the meeting noted that project approvals had followed the planned distribution quite closely, and that the original plans could still usefully be left intact. With regard to programming during the remainder of the current cycle, about \$40 million remained to be committed out of the regional programme's allocation of \$155.8 million. It was decided that the uncommitted resources should be used on activities within the overall strategy of the approved programme for 1982-1986, taking into account the refinements provided by the present meeting, and as a bridge to the main themes for the fourth cycle.

44. In this connection, it was recognized that the identification of specific sector needs in the development process should not be the only criterion for the inclusion of projects in a programme of regional co-operation: it was also seen as necessary that the mechanism of regional co-operation be a practical and cost-effective way of advancing the development of the sector for the benefit of participating countries. Certain subjects, either by their very nature, such as transport and communications, or by the existence of an active intergovernmental framework for co-operation, or both, would be favoured areas for support. Other subjects, especially in the social sectors - as well as some aspects of agriculture -, enjoyed high priority at the national level but tended to be so country-specific that they could not readily be tackled through a regional programme. Thus, in short, a distinction was seen to exist between needs and opportunities.

45. It was also observed that the impact of projects was frequently less where projects attempted to cover the entire region. Projects involving a limited number of participating countries and projects based on well defined subjects of common need were favoured: the former would include projects designed to support subregional groups of countries while the latter would include projects that were intrinsically regional in character. The importance of activities which were backed by national resources, or by resources from other donors, was stressed. Regarding the participation of LDCs in the intercountry programme, UNDP would, as in the past, continue to make special funding efforts to promote their involvement through existing mechanisms such as subregional and neighborhood co-operation.

46. An outstanding feature of the Asia and Pacific regional projects is the substantial, and continuing, decrease of the personnel component, from 73 per cent to 43 per cent of total budgets over the last 10 years, in particular favour of training. This was warmly welcomed by Governments at the Bangkok review, and it was recommended that the emphasis should be placed on structured training programmes as opposed to workshops, seminars and study tours.

47. The prime purpose in assembling government aid co-ordinators was to canvas the views of the participating Governments on the directions that the programme should take. With this in view, six Government representatives were invited to lead the discussion with statements on subjects covering both the substantive content, as well as the executing modalities, of the programme. The views expressed in these presentations and the ensuing discussion are recorded below.

48. China stressed the promotion of co-operation between existing national institutions, organized into networks with one institution, by common consent, playing a co-ordinating role. To be cost-effective, emphasis should be placed on substantive training activities arranged on a TCDC basis. Similarly, Sri Lanka cautioned against perpetuating institutions that were dependent on the United Nations system, and suggested mobilizing additional skills from the region through the introduction of regional rates of remuneration, as well as collaboration with the private sector. The Philippines also emphasised TCDC, the network approach and basing projects systematically on Governments' real priorities, by means of associating government aid co-ordinators and the UNDP field offices more actively in project identification and evaluation.

49. India supported the call for increased use of regional resources through TCDC and other means, and for Governments to play a more active role in the design of regional programmes and projects with preference given to projects that encouraged genuine multi-country interaction and collaboration, as distinct from projects which simply related to common interests of groups of countries. Thailand also stressed the twin themes of greater participation by aid co-ordinators and the importance of capturing true involvement by the participating Governments through their contribution of tangible inputs. On behalf of the Pacific island countries, Vanuatu cited the subregion's achievements in building a framework of co-operation, as demonstrated by the existence of over 200 Pacific regional organizations.

50. Looking forward to the next cycle, UNDP was called upon to take account of these expressed views of the participating Governments. Special efforts were to be made to increase the involvement of aid co-ordinators and national institutions in this process. Intergovernmental meetings would be convened as in the past, including a third aid co-ordinators meeting that would lead to the submission of the next intercountry programme to the thirty-fourth session of the UNDP Governing Council in June 1987. Another major initiative in the past year was the preparation of a compendium of regional projects containing descriptions of 106 projects in all. These projects account for some 90 per cent of the programme in monetary terms. The principal objective of this publication is to ensure that all parties, especially at the field level, are well informed about existing regional projects so that they may participate effectively in the preparation for the fourth programming cycle.

II. PROGRAMME MANAGEMENT ACTIONS

A. Special monitoring, review and evaluation exercises

51. In 1983 and 1984, the Regional Bureau for Asia and the Pacific reported to the Council on two consecutive exercises to analyse projects with special implementation problems or needs (documents DP/1983/63 and DP/1984/24 respectively). This activity continued in 1984 as part of the basic programme of all field offices. In 1984, the Bureau stepped up the concentration on evaluation and monitoring by means of the following four-pronged approach:

- (a) Annual review of region-wide evaluation and monitoring actions;
- (b) Regional study of the tripartite review system;
- (c) Regional study of the effectiveness of the evaluation mechanism;
- (d) Country study over three cycles in the Republic of Korea.

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1. Annual review of region-wide evaluation and monitoring actions

52. The basic exercise, which began in 1984 and will continue for the foreseen future, assures the regularity and control of the overall monitoring process.

53. The primary vehicles by which the quality and performance of UNDP projects are measured are ad hoc monitoring visits by field office personnel and agency staff; in-depth evaluations, particularly of the larger and longer-running activities and, above all, tripartite reviews of projects with UNDP contributions over \$400,000 and, optionally, any others deemed by resident representatives to need tripartite surveillance.

54. The Bureau considers that monitoring visits are being carried out at the most satisfactory practical level (in light of available resources) and that the system can be tracked via the listing of such visits in the semi-annual country programme management plans (CPMPs) prepared by all field offices.

55. The regularity of the tripartite review and evaluation system is a more complicated matter and was therefore the first thing to be considered in the Bureau's special management exercise in 1984.

56. There were 754 projects over \$400,000 recorded as operational in the computer listing for the region. The computer list, however, included numerous projects which had just become operational, and were therefore unready for review, or had concluded operations but had not yet been closed in a formal or accounting sense.

57. The Bureau, therefore, set up a system whereby each field office reviewed the computerized list and provided its own justified baseline for 1984 and beyond of projects requiring tripartite reviews and evaluations. In doing so, the offices also took account of the practicalities of holding a certain number of exercises in a year, particularly in those countries with over a 100 operational projects.

58. This exercise resulted in "cleaning" the computer list, and in establishing the actual number of projects qualifying for tripartite reviews at 582, and of large-scale projects requiring in-depth evaluations at 203 (of which 102 would be done in 1984, since evaluations are conducted once in the project lifetime, not annually). On a project-by-project basis, the resident representatives were then able to use the verified data to prepare an annual schedule for tripartite reviews and a five-year projected calendar for evaluations. This serves as the new data base on which the Bureau can fulfil its responsibility of monitoring region-wide compliance and of reporting regularly to the Administrator and to the Governing Council.

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59. This central monitoring mechanism indicates that 73 per cent (or 427) of the tripartite reviews required and scheduled during 1984 were actually held, as were 78 per cent (or 80) of the evaluations. This performance level is considered satisfactory given the inevitable time-schedule changes which must often be made for these review and evaluation exercises which require the coincidence of the Government, UNDP and the executing agency to achieve full tripartite participation. Some 540 tripartite reviews are scheduled for 1985 and some 200 additional evaluations have been planned for the 1985-1986 period.

2. Regional study of the tripartite review system

60. Over and above the central monitoring exercise, two studies were carried out to review the substantive quality of the tripartite review and evaluation systems.

61. The study of the tripartite review system was initiated by the Bureau in consultation with the UNDP Central Evaluation Office (CEO), and consisted of an initial headquarters desk study checked with each field office concerned.

62. The review looked at all tripartite reviews carried out during 1984, but concentrated on a selected sample of 30 projects, each of which had already had two or more tripartite reviews. Ten countries, with three projects each, were included with a mix between large- and small-scale projects, as well as a sectoral distribution reflecting the UNDP-supported programme in the region. The study examined various factors integral to preparing and conducting a tripartite review and to implementing the resulting conclusions and recommendations.

63. While the study's overall conclusion is that the tripartite review system in the region is working well and is fulfilling an essential function for project and programme management, it had the even more important yield of identifying improvements that can still be introduced in the system.

64. The study found that the documentation and preparations for tripartite reviews were by and large adequate and that the project progress reporting system, in particular, was effectively providing information on project implementation for co-ordination of tripartite reviews. Ninety-nine per cent of the tripartite reviews reviewed were attended by resident representatives or deputy resident representatives and senior-level government officials; 70 per cent were held at project sites.

65. The study included the following recommendations for making the project tripartite review system even more effective:

(a) To assure adequate preparation and effective conduct of tripartite reviews, with participation by senior government officials from both the sectoral ministry and the Government's aid co-ordinating body, as well as by the UNDP resident representative, there should be reasonable flexibility for adjusting the scheduling and frequency of tripartite reviews, especially for programmes with a large number of individual projects;

(b) Greater use should be made of "sectoral" tripartite reviews which can jointly review interrelated projects and those addressing a common sectoral development objective. A prime benefit of this approach is that interrelated projects are not considered in isolation from each other. This approach can also reduce time demands on government officials and resident representatives;

(c) There is no required, fixed format for reports of tripartite reviews. Such flexibility is desirable so that in preparing these reports the resident representative can structure them and include content for maximum utility with the concerned Government, thus accommodating the various reporting styles and expectations of different countries. However, a useful common feature in all tripartite review reports would be a summary table of decisions and of related follow-up actions required within established time periods. Such a summary would facilitate the next tripartite review meeting's examination of follow-up actions actually taken.

66. Although tripartite reviews and project evaluations are distinct instruments with different purposes, they are not unlinked, nor should they be. Indeed, tripartite reviews often determine that an evaluation is desirable and later, can consider the results of an such evaluation. The study showed that 20 per cent of the tripartite reviews concerned themselves with planning for an evaluation, meeting with the evaluation mission or considering the resulting report. Given this linkage, it was opportune that during 1984 an examination of the evaluation system's operation in the Asia and Pacific region was also conducted, as reported on in the following section.

3. Regional study of the effectiveness of the evaluation mechanism

67. As the Governing Council is well aware, evaluations differ from tripartite review's in several basis respects:

(a) They apply to projects over \$US 1 million in size, although others can be recommended;

(b) They are usually carried out once in the lifetime of a project, as and when required;

(c) They usually are led by one or more outside consultants;

(d) They are broader in scope than tripartite reviews, judging performance and impact as a whole and dealing with follow-up issues.

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68. In 1984, the Central Evaluation Office organized, on behalf of the Regional Bureau for Asia and the Pacific, a general study of all 70 evaluations conducted in the region's countries in the previous year, with special attention to a selected sample of 11 exercises covering 14 projects. Similar exercises were conducted for other regions and the results were not dissimilar. The study bore out the Bureau's perception that the evaluation mechanism is not as immediately effective or relevant as the tripartite system and that the mechanism needs more attention.

69. Although evaluations are expected to take place well after the project is under way, the study confirmed that too many of them occur too late to be completely effective, at least in terms of the phase under study. This ties in with the fact that three quarters of evaluations are concerned with the future, with a project extension or a follow-up phase in mind. This is appropriate in many, but not all, cases. Most evaluations in the sample did not review the continuing need for or validity of the project, nor of the continued relevance of the development objectives. While addressed in some instances, most evaluations focused primarily on implementation questions and the project's future.

70. The study confirmed that the composition of evaluation teams was satisfactory in most cases, both from the international and government side, although there could be better differentiation in the backgrounds of the UNDP consultants and those of the agencies. Seventy-two per cent of the evaluation missions studied were led by independent consultants engaged by UNDP and were judged to be professionally sound efforts.

71. For each evaluation examined, special efforts had been made to implement the evaluation mission's recommendations. They are commonly cited in subsequent project progress reports even if they could not be fully implemented. In all instances where a project document for an extension or follow-up phase could be compared with an evaluation mission report, the project document cited at least some of the recommendations of the evaluation mission and the project was redesigned accordingly.

72. Based on these and other findings, the study recommended that the Regional Bureau continue to recruit independent consultants to lead project evaluations. In those cases where the executing agency mission member is a technical specialist, the UNDP member may desirably have a broader development and technical assistance management experience. The mission terms of reference should be specifically prepared in relation to the project, rather than using standard or even modified standard terms of reference. Also more emphasis should be placed on considering the project's overall development objectives.

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4. Country study over three cycles - the Republic of Korea

73. In 1984, the Government of the Republic of Korea decided to join with UNDP to conduct a comprehensive review of UNDP assistance to the country's development since 1972, which is when the present system of country programming began. While fulfilling the requirements of a mid-term review of the present cycle, this exercise was intended to determine the effectiveness and usefulness of UNDP assistance in the two previous cycles and the major part of the third cycle, with the ultimate objective of ascertaining how UNDP's contributions in the fourth cycle could most effectively be utilized to augment the Republic of Korea's own development efforts. The review's focus also took into consideration the Governing Council's views expressed in decision 84/4 on measures to be taken to meeting the changing technical co-operation requirements of the developing countries.

74. The Regional Bureau decided to give special attention to this review as part of what will be a continuing series of studies of countries with different development circumstances and with different approaches to the utilization by UNDP assistance. Although the programme in the Republic of Korea is not large (\$13.8 million for the present cycle, including \$3.9 million carried over from the previous cycle), the country is among several in the region which have reached a more advanced stage where technical co-operation is required for more sophisticated approaches to the employment of high technology. It was understood that, while the review would deal first and foremost with the internal circumstances of Korea's programme management, it would also allow for insights on a broader scale.

75. The review was carried out by a team of four independent consultants engaged by the Regional Bureau, working with the field office and the Government. The consultants found that UNDP had made a significant contribution to the development efforts of the Republic of Korea and that the Government was anxious to see the relationship continue. UNDP had effectively served the economic priorities of the Government of the Republic of Korea. However, future utilization of UNDP funds must continue to take into account the rapidly changing socio-economic situation in the country.

76. Several factors have influenced the effectiveness of UNDP country programmes and their component projects in the Republic of Korea. Topping the list is the country's excellent record in development planning and plan implementation in association with the United Nations system. The plans and the steps taken to implement them have offered a clear framework for the formulation of UNDP country programmes.

77. During the 12 years of assistance examined, 140 projects were implemented, and the resources available to the Republic of Korea in the period 1972-1986 will have totalled \$42.9 million. The industrial sector has claimed one third of UNDP resources, followed by infrastructure (21 per cent), agriculture, fisheries and forestry (18 per cent) and education and training (10 per cent). The pattern of UNDP assistance has been consistent with changing government priorities from the attention devoted in the first cycle (1972-1976) to natural resources to its more recent strategy of rapidly

building up and improving export-oriented industries. Fifty-one per cent of the projects aimed at building institutional capacity within the priority sectors, and a majority of projects have also been of a direct support nature. There has been a clear orientation towards industrial development and science and technology research. The direct support nature of UNDP assistance has allowed the Government to make decisions on investment, broad-based action programmes, and to produce technical and/or operational solutions to specific constraints.

78. Although programme content has been clearly related to the Government's development objectives and project implementation and delivery seems to have been efficient, the mission identified a number of specific programme formulation, sectoral and management areas in which UNDP and the Government can improve understanding and capabilities. These will be addressed in preparing for the fourth cycle and the fourth country programme for the Republic of Korea.

79. As concerns programme modalities, the mission offered the following recommendations. (a) the Government should consider making more use of government execution and of local experts; (b) more efforts should be made to link its economic and technical institutions with similar institutions abroad; (c) the Government should consider cost-sharing contributions to the next country programme, as well as deployment of resources available from UNDP on a grant basis primarily towards the achievement of social development objectives and towards preparing the ground for implementation of long-term plan studies; and (d) the Government should consider greater utilization of interregional and global programmes of UNDP, and also of intercountry projects aimed at promoting technical co-operation among developing countries in a more significant way than it has done before.

B. Efforts to strengthen aid co-ordination machinery

1. Aid co-ordinators meeting, Bangkok, May 1984

80. Various avenues were pursued during 1984 to reinforce, in Asia and the Pacific, UNDP's role in aid co-ordination. Central to this was the meeting at Bangkok of government aid co-ordinators, the senior officials who deal with UNDP and other sources of external aid. The first part of the meeting, as recorded in paragraphs 42 to 47, sought the counsel of the aid co-ordinators on the substantive content and operational modalities of the intercountry programme.

81. The second part of the meeting was designed to improve the delivery of UNDP assistance by enabling government aid co-ordinators to gain a better understanding of the operational practices and procedures of the United Nations development system. A simple "Operational Manual" on the subjects covered was also distributed to the participants. The subjects included resource mobilization; government execution; project Professional personnel; evaluation and monitoring; and the use of UNDP resources for equipment.

82. Although only the first of the five subjects dealt with aid co-ordination per se, the significance of the meeting lay in the strengthening of the group as a "common-interest club" and in their sharing of ideas about the techniques of programme formulation and implementation.

2. The LDC round table procedure

83. The Bangkok meeting also offered a separate forum for the Governments of the seven LDCs in Asia and the Pacific to meet and evaluate the results of the series of round-table meetings that had been held for five of them the in 1983. The overall judgement and initial experience of this was that the round-table meetings were valuable, that they had helped the LDCs concerned to obtain or confirm financing for many of their project proposals, but that they had not yet achieved significant additionality.

84. In a subsequent exercise at UNDP headquarters, the entire round-table experience was reviewed and conclusions reached that were parallel in several ways to findings for the more numerous round-table meetings held in Africa. The main conclusions were that:

(a) The round-table procedure enabled LDCs to consolidate their macro-economic strategy and present it for external consideration in a more comprehensive way than they had done so before;

(b) The countries' own internal co-ordination machinery had been strengthened in the process;

(c) Contacts with traditional donors had been strengthened and new contacts opened. At the same time, the process of sensitizing donors to special requirements for aid terms particular to each country had begun.

Assessing the round-table experience, certain directions for the future were identified; chief among them were that a core of seriously interested donors must be identified and consulted as a pre-condition for organizing new round-table meetings, and that there should be a more specialized focus of participation in future round-table meetings.

85. The past year was, therefore, a transitional one for the round-table process in Asia and the Pacific, still following up and evaluating the first series and planning for the next round along the lines identified above and in keeping with the new format that UNDP has centrally evolved. The countries of Asia also received tangible help from the special trust fund established by the Government of the Netherlands. The Lao People's Democratic Republic and Samoa have already drawn on the fund to finance follow-up activities and Bhutan is expected to do so in preparation for its next contacts with donors. It is expected that at least two countries of the region and possibly more will schedule round-table meetings under UNDP aegis in the first half of 1986.

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C. Resource mobilization

86. The past year also marked the first in which special contributions under new trust fund arrangements authorized by the Governing Council in 1983 (decision 83/15) became fully effective in the Programme's overall funding resources. Overall, these trust fund contributions amounted to more than \$50 million, of which \$6.6 million were from the Netherlands in support of round-table consultations for LDCs and \$39.7 million in residual assets transferred from the United Nations Emergency Operation Trust Fund for particular assistance to developing countries afflicted by natural disaster.

87. Although the strong government mechanisms in many countries of the region have thus far served to limit the potential role of UNDP in resource mobilization, interest and activity continued to increase in 1984. While final figures for cost-sharing and parallel financing mobilized by UNDP in 1984 are not yet available, they are expected to surpass the \$35 million mobilized in 1983. For cost-sharing alone, budgets totalled \$17.2 million which, while only 7 per cent of the committed UNDP resources, represent a steady upward trend. Indonesia, with "joint programme funding" for the year at the \$7.8 million level, and with a project for \$6 million of parallel financing with the World Bank in the final phases of negotiation, is the most active country in this regard, followed by China and Nepal.

D. Human resources development

88. The Governing Council and the Administration of UNDP have recently refocused attention on the pre-eminent role of human resources development in achieving social and economic advancement and have explored new approaches above and beyond the considerable efforts of the last 35 years.

89. The UNDP-supported country and regional programmes in Asia and the Pacific are already rich in human resource development projects which are training thousands of managers, technicians, administrators and teachers. For the purposes of this report it is appropriate to mention two special initiatives of the year 1984.

1. ASEAN study

90. At the Post-Ministerial Conference of the Seventeenth ASEAN Ministerial Meeting held at Jakarta in July 1984, ASEAN and its Pacific dialogue partners (Australia, Canada, Japan, New Zealand and the United States) agreed to initiate ASEAN-Pacific co-operation on human resources development. In early August 1984, Indonesia was designated as the co-ordinating country for this co-operation. To help to carry out this responsibility, the Government of Indonesia asked UNDP for consultancy assistance within the framework of its country programme.

91. The Regional Bureau gave the request special priority and agreed to provide one of its most senior consultants for four months to work within terms of reference formulated by the Government and the field office in Jakarta.

92. The mission was carried out from October 1984 to January 1985. Through the studies requested by Indonesia, technical co-operation for existing institutions and programmes in human resources development at country and intercountry levels were reviewed and analysed. Some interesting facts were adduced. With respect to TCDC, for example, three ASEAN countries financed from their own national resources more than 2,000 TCDC training awards to other nationals of ASEAN, Asian and south Pacific countries during 1983. At least 2,000 nationals of ASEAN and south Pacific countries attended training institutions overseas and in ASEAN countries themselves, financed by the Pacific bilateral donors. A major portion of the fellowships were non-project related. As of August 1983, a total of 2,350 regional trainees, including 1,165 nationals of the host countries, had received training at the UNDP-assisted civil aviation training centres located in four ASEAN countries.

93. With the help of the UNDP consultant, the Indonesian Government developed a draft report on promotion of Pacific co-operation in human resources development containing a comprehensive review of relevant policies, programmes, institutions and projects in the ASEAN and south Pacific island countries at the country and intercountry levels. A draft policy direction paper was also prepared which represents a pragmatic new approach to Pacific co-operation in the field of human resources development. The policy direction paper was first discussed by ASEAN senior officials and then agreed upon by them with their Pacific dialogue counterparts in January 1985. This paper is to be submitted for approval to the meeting of ASEAN Foreign Ministers and Pacific dialogue partners to be held at Kuala Lumpur in July 1985.

94. Depending on the outcome of the Kuala Lumpur meeting, the Regional Bureau considers that some follow-up UNDP assistance, possibly small-scale and of a catalytic nature, might be required to facilitate early implementation of the regional and subregional co-operation under the proposed human resources development co-operation programme.

2. Migration of Asian migrant workers to the Gulf States area

95. A dominant factor in the human resources development situation of the Asia and Pacific region is the extensive migration of skilled and semi-skilled workers from this region to the Gulf States. There are an estimated 2.5 million such migrants from eight Asian countries.

96. In order to assist both the labour-supplying countries as well as the host countries affected by this issue, UNDP is collaborating with the United Nations University in a project which examines the human resource dimension of this migration and its long-term implications for the economies of the countries concerned. Advisory papers on the particular needs of each country are being prepared. These papers are designed to have a special focus on the impact of returnees, and of the consequence on the national economies concerned of a possible tapering off in the scale of remittances.

97. In addition to funding the preparation of these advisory papers, UNDP has also supported a number of meetings between the government officials and the United Nations University researchers involved in the exercise.