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S U P P O R T

PROGRAMME PLANNING  
COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Implementation of selected country programmes in the  
Asia and the 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.

Information is provided on the commitment, delivery, content and modalities of the programmes in the recipient countries of the Asia and the Pacific region. The paper also reports on the results of three special management studies undertaken by the Bureau for Asia and the Pacific in 1985: (a) a study on the use of national Professional project personnel in the region; (b) a study on Government-execution in a particular country in the region; and (c) a country study on UNDP assistance over three cycles. Information is then provided on the periodic country programme reviews, the assessments of country programmes preparatory to a new programme and the results of project evaluations. Also reported are the intercountry programme preparations for the fourth cycle. Finally the paper reports on the aid co-ordination activities undertaken in the region.

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## INTRODUCTION

1. This report responds to Governing Council decision 81/15, paragraph 7, requiring the submission to it of annual progress reports on programme implementation in each region, highlighting significant developments.
2. A principal activity in the Asia and the Pacific region during 1985 was the preparation and processing of country programmes for the fourth programming cycle (1987-1991). The first five submissions under the new cycle were considered and approved by the Governing Council at its thirty-second session in June 1985. The approved programmes were for Bhutan, Fiji, India, Indonesia and Tonga, with a combined total indicative planning figure (IPF) of \$230.4 million.
3. A further 16, or approximately half, of the region's country programmes went through the necessary stages of preparation for submission to the Council in 1986 (Bangladesh, China, Cook Islands, Kiribati, Lao People's Democratic Republic, Mongolia, Nepal, Niue, Papua New Guinea, Philippines, Samoa, Solomon Islands, Tokelau, Tuvalu, Vanuatu and Viet Nam, whose combined IPFs total \$502.9 million).
4. Towards the end of 1985, the initial steps towards the elaboration of country programmes in a further 11 countries were under way in anticipation of submission to the Council in 1987, following which virtually every country in the region will have been covered.
5. In addition to country programmes, the regional programme for the fourth cycle, also to be submitted to the Council in 1987, necessitated substantial preparatory work during 1985.
6. The application of the measures outlined by the Council in decision 85/4 in addition to the considerable number of quality control steps already adopted in the Asia and the Pacific region constituted the second major thrust in the work programme for the region during the year. Among the highlights of the year was the upgrading of the Project Appraisal Committee at headquarters which reviewed 30 large-scale projects in the last quarter of 1985 (see section VI) and the convening of a Project Design and Evaluation Workshop for Deputy Resident Representatives in New Delhi.
7. In addition to regular programme and project monitoring and review, . another major feature of the region's work programme in 1985 were three special studies undertaken by the Regional Bureau for Asia and the Pacific as part of its continuing efforts to strengthen programme management, taking into account the special characteristics of the programme in the region:
  - (a) The first study involved the assessment, on a region-wide basis, of the use of national Professional personnel, including national project directors, in UNDP-funded projects. The use of such national personnel has reached the point where an operational review of existing arrangements was needed to ensure consistency of approach and effective application of procedures;

(b) The second exercise was the launching of a study of UNDP's technical co-operation experience in Nepal over three programme cycles. This is the Regional Bureau's second in-depth evaluation of the programme in a single country of the region;

(c) Because the modality of government-execution is prominently featured in the programmes of the Asia and the Pacific region, the third study focused on the experience with this modality of project execution in China, the country where it is used most widely. The results to date of these studies are described in section II.

## I. GENERAL OVERVIEW OF THE REGION

### A. Commitment and delivery

8. Attention was paid throughout 1985 to increasing the rates of commitment and delivery in the region. Towards the end of an IPF cycle, it is important to ensure that commitments do not decline in the absence of firm or even indicative resource levels for future years: 1985 was a particularly vulnerable year as the IPFs for the fourth cycle were determined only in August 1985.

9. At the end of the year, commitments totalled \$1,029 million compared with \$875 million at end-1984. In fact, by the end of 1985, 95 per cent of the total programmable resources of \$1,087 million available to the Asia and the Pacific region for the third cycle (1982-1986) had been committed in approved projects. Expenditure from IPF funds in 1985 is estimated at \$190 million to which may be added \$10 million from cost-sharing sources; comparable figures for 1984 were \$177.3 million and \$8.3 million. The improved commitment and delivery performance in 1985 gives reason to believe that the transition from the third to the fourth cycle will be smooth. None the less, sustained effort by Governments, UNDP field offices, agencies and UNDP headquarters will be required in 1986 if the programmable resources are to be fully expended while project quality is maintained and, if possible, improved.

### B. Content

10. At the end of 1985 there were 1,545 ongoing projects in the Asia and the Pacific region, of which 1,385 were country and 160 intercountry projects, with cumulative UNDP budgets of \$1.2 billion.

11. The sectoral distribution of UNDP assistance to the region during 1985 remained consistent with the general pattern set during 1982-1984, the first three years of the ongoing third programming cycle. Agriculture, forestry and fisheries accounted for 22 per cent of total assistance; industry for 17 per cent; natural resources 15 per cent; and transportation and communications 12 per cent. The sectoral distribution of pipeline projects also reflected the trend seen in the ongoing projects, with the agriculture, forestry and

fisheries sector constituting 27 per cent of the pipeline and the industry and technology sector 22 per cent.

12. As for the component breakdown of UNDP inputs, the first three years of the third programming cycle saw an increase in training expenditures and a decrease in equipment, a significant change from the pattern of the second cycle. Data for 1985, with personnel accounting for 38 per cent, training 18.5 per cent and equipment 28.9 per cent of total project expenditures, maintain the trend, although the decrease in the equipment component has now levelled off.

13. A content analysis of the Asia and the Pacific programme also confirmed the increasing prominence given to human resource development -- a theme which runs through most of the country programmes and the intercountry programme in the region. Although there is an element of human resources development in most projects, particularly through their training component, those projects where this is the main objective now make up 20 per cent of all ongoing projects and constitute 21 per cent of all pipeline projects. In terms of primary functions, institution-building projects and direct-support projects dominate the country programmes in the region, receiving 29 per cent and 30 per cent respectively of total funding.

14. Pre-investment and investment-oriented projects remain an important part of the programme in the Asia and the Pacific region. Investment commitments generated by UNDP projects totalled \$4.4 billion in 1982, \$6 billion in 1983 and close to \$5 billion in 1984. Figures for 1985 are not yet available. Notable among pre-investment projects initiated this past year are: a World Bank-executed project in Bangladesh to prepare a pre-feasibility study for the construction of the Jamuna bridge linking the eastern and western halves of the country; a joint project with the Asian Development Bank (AsDB) in Nepal to determine the feasibility of expanding the cotton industry among small farmers; and a project in Thailand executed by the United Nations Centre for Human Settlements (HABITAT) to strengthen the Government's capacity to implement four urban projects to be financed by the World Bank under the Regional Cities Development Programme.

### C. Modalities

15. Many of the new concepts and modalities endorsed by the UNDP Governing Council to meet the changing technical assistance requirements of developing countries have been, and continue to be, a growing feature of the programmes in the Asia and the Pacific region.

16. The number of government-executed projects continue to increase, from 56 such projects in 1982 at the start of the third cycle to 164 at the end of 1985. Although in terms of actual resources, government-executed projects still only account for 9 per cent of total resources allocated in the region in 1985, in terms of UNDP assistance world-wide, the Asia and the Pacific region accounted for 42 per cent of all government-executed projects.

17. As noted in past reports, the region continued to see an increasing use of national Professional personnel in projects as directors, experts and consultants. This trend was the subject of one of the Regional Bureau's special studies in 1985 the results of which are reported below.

18. The Asia and the Pacific region continued to be an important user, as well as the major supplier, of United Nations volunteers (UNVs). In 1985 there were 340 UNVs (30 per cent of all UNVs in service globally) serving in 25 countries in the region, while 523 volunteers (46 per cent) serving throughout the developing world come from the Asia and the Pacific countries.

#### D. Review, monitoring and evaluation

19. During 1985, programme review and project monitoring and evaluation activities were intensively carried out in the region by UNDP, recipient Governments and agencies as a means of ensuring the effectiveness and impact of UNDP assistance.

20. In the past year, country programme reviews were held in 25 of the 34 countries with UNDP country programmes. These formal review exercises involving Governments and UNDP normally take place annually to assess the relevance and effectiveness of the programmes as a whole, to adjust specific project allocations within programmes and to commit unprogrammed resources in accordance with Government priorities. In 16 of these countries, the reviews were conducted as an integral part of the assessment of the ongoing country programme in the context of the preparation for new country programmes to be submitted to the Governing Council in 1986.

21. Among the countries and territories that did not hold formal reviews in 1985 were the five countries which had just had new country programmes approved in June 1985 and where the more appropriate timing for a review would be in the first half of 1986; three countries where the modest size of the programme lends itself more suitably to review and monitoring on a project-by-project basis; and one country where an in-depth study of the cumulative impact of past country programmes as well as the ongoing country programme had just been completed in early 1985.

22. The content and results of these reviews, as well as the monitoring and evaluation exercises conducted at the project level in 1985, are described in greater detail in sections III-VI of this report.

## II. PROGRAMME MANAGEMENT ACTIONS

23. As in past years, the Regional Bureau for Asia and the Pacific undertook special studies of the content and delivery process of assistance to the region. In past reports to the Council, it has described the particular attention given to monitoring under the project evaluation and tripartite review system. This has now become a regular feature of the Bureau's work programme, and it was therefore considered unnecessary to prepare a special report again on this aspect of programme operations.

A. Use of national experts, national project co-ordinators and national subcontractors in the region

24. UNDP's first guidelines on the use of national Professionals in project implementation were issued in August 1979. Because it was recognized that the employment of national Professionals on UNDP-financed projects was already becoming significant in some of the larger Asia and the Pacific programmes, a seminar was held in the Bureau in January 1984 to brief Bureau headquarters staff on the new procedures. This was followed, in May 1984, by the second regional meeting of government aid co-ordinators and resident representatives during which a special session was devoted to introducing the new guidelines. Early in 1985, the Regional Bureau decided it would be timely to review the manner in which national project personnel were being utilized.

25. Regular monitoring had shown that, while the use of national Professionals on projects was growing rapidly (albeit from a small base), the country spread of this modality was uneven. Several countries made no use of national Professionals on UNDP projects, either because they had adopted a policy decision that UNDP funds would be used only for externally procured inputs or because candidates were not readily available. However in nine of the region's larger programmes, national Professionals are being used to a significant extent. For the region as a whole, in 1984, national Professionals represented 14 per cent of man-months of expertise delivered at 3.1 per cent of total expert cost. In 1985 this is estimated to have risen to around 18.5 per cent of total man-months at 3.8 per cent of total expert cost.

26. The study involved consultations with seven executing agencies and field visits to five countries in the region. Not surprisingly, considering the relatively recent introduction of this new modality, divergent views were expressed and differing interpretations of the relevant policies and procedures have arisen. The arguments for and against the use of national experts are still being debated within recipient Governments and agencies, although all parties who have had actual experience with using national experts confirm their enthusiasm for continuing to do so despite some of the teething problems that have emerged. National experts have generally performed at least as well as their international colleagues; and national project co-ordinators have, given the right circumstances, proven exceptionally effective.

27. The study makes a number of recommendations on selection and recruitment procedures which are designed to ensure a more systematic and uniform approach in the field offices and agencies concerned. It recommends measures to improve and strengthen the mechanisms for determining the remuneration levels and conditions of employment of national experts. All the recommendations are made with a view to enhancing the effectiveness of this important category of project personnel in the development process. The study is now the subject of a paper being prepared for discussion by the Executive Management Committee with a view to determining implementation along the above lines. The study will also provide valuable information for the report to the 1987 Council session requested under decision 85/10.

## B. Technical co-operation experience over three cycles in Nepal

28. As part of the Regional Bureau's series of studies of technical co-operation experience in countries of different economic circumstances over several cycles, two consultants have been commissioned to undertake an evaluation of UNDP's past operations in Nepal. The purpose of the study is to determine the relevance and timeliness of UNDP's technical co-operation programme vis-à-vis the Government's national development objectives and to assess the lessons to be learned therefrom. Particular attention is being paid to UNDP's co-ordinating role, to the perception of that role by other donors and the Government and to the effectiveness of UNDP's programme in relation to the activities of other donors. The study is scheduled to be completed during 1986.

## C. Government-execution in China

29. Since UNDP's programme commenced operations in China in 1978, the number and scope of projects selected for government-execution have risen rapidly. Of 150 operational projects, 35 are currently under government-execution at a total cost of \$25 million (\$6 million of which represents Government cost-sharing), accounting for over 23 per cent of the programme. At the initiative of the Government and the Resident Representative, it was decided that an evaluation of this experience would be useful both for the continued government-executed component of the programme envisaged for the next cycle as well as for the general lessons that could be drawn. Accordingly a senior staff member (and former Resident Representative) from UNDP's Bureau for Programme Policy and Evaluation undertook this study in November 1985. His report confirmed that Government-executed projects in China have been successful, timely and cost-effective. They have benefited fully from the multilateral character of UNDP technical co-operation by strengthening ties or establishing new contacts with foreign technical and scientific research and development institutions in different countries. He concluded that the relative success of Government-execution in China was largely due to the centralized arrangements made by the Government's Co-ordinating Unit to undertake all administrative and accounting responsibilities for Government-executed projects. In other countries such responsibility has usually been performed at the project level. A number of recommendations were made to strengthen further the government-executing machinery in China in preparation for the implementation of the country's second country programme. These recommendations have been accepted by the Government.

## III. ASSESSMENTS PREPARATORY TO A NEW COUNTRY PROGRAMME

30. In the course of 1985, 16 countries in the Asia and the Pacific region were preparing to submit new country programmes to the June 1986 Governing Council, and in all cases an assessment was undertaken of the current country programme preparatory to, and as an input for, the formulation of the new country programme. These 16 countries comprised four centrally planned economies -- China, the Lao People's Democratic Republic, Mongolia and Viet



Nam; two of the largest least developed countries in the world -- Bangladesh and Nepal; eight small Pacific Island countries -- the Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, Tokelau, Tuvalu and Vanuatu; and Papua New Guinea and the Philippines.

31. As would be expected, the individual assessments differed in depth and scope, method and process, depending on the size and nature of the programme. However, in all cases the Governments were fully involved and in some cases themselves undertook the lead role in the assessment. Also in all cases, the main objective was to assess the accomplishment of the current country programme measured against its stated objectives and to draw lessons for the new programme. The assessments therefore generally covered the following aspects of the programme: (a) its overall orientation and relevance to the national development plan; (b) its content and characteristics in terms of sectors and modalities; and (c) its implementation in terms of delivery and management issues.

#### A. Programme orientation and relevance to national development plans

32. In all cases, the assessments confirmed the relevance and continued usefulness of UNDP assistance in supporting Government priority development efforts and goals.

33. In terms of comparing, on a sectoral basis, assistance delivered with what had been envisaged in the country programme as approved, the overall picture in the region was one of consistency. For the great majority of countries, those sectors which had been emphasized in the country programme documents did in fact receive the major part of UNDP assistance during the programme implementation period. Where there were significant shifts in the sectoral distribution of assistance from that originally anticipated, such as the case in Nepal, delivery figures indicated that the distribution of UNDP resources actually came closer to the Governments' own development expenditures and thus reflected the Governments' priorities more than otherwise would have been the case. Even in the case of the Philippines, where the country programme had to undergo significant adjustment in late 1983 to respond to the country's severe economic and financial crisis, it was seen that the programme had managed to remain consistent with the Philippines' development objectives.

#### B. Programme content and characteristics

34. At the same time, the various programmes had maintained sufficient flexibility to meet urgent and unforeseen technical co-operation needs and respond to evolving government priorities -- a capability made possible by the continuous programming process, the value and utility of which was underlined in all the assessments.

35. Another feature found in many, but not all, of the programmes in the region was the significant use of "new dimensions" modalities. Thus the most prominent management feature in the programme in China was that all projects

were managed by national project directors. In fact, relatively new though it was, the China programme has been at the forefront in adopting the concept of the new dimensions of technical co-operation including government-execution of projects, earmarking of the IPF in support of economic and technical co-operation among developing countries (ECDC/TCDC) and the use of the Transfer of Knowledge through Expatriate Nationals (TOKTEN) and Senior Technical Adviser Recruitment (STAR) programmes. In Bangladesh, there was also significant application of new dimensions modalities, particularly in the use of national project directors and locally available expertise. In Nepal, as well as in many of the small Pacific island countries, the use of associate experts and UNVs yielded excellent results, particularly with physical activities in dispersed or rural areas.

### C. Programme implementation

36. The overall picture in the region with regard to programme implementation and performance was very positive with almost all approved projects having attained or being on their way to attaining their immediate objectives. Thus in China, some 150 projects were formulated for implementation during the current country programme period (1982-1985), the great majority of which will have been completed with only 21 expected to be continued (in follow-up phases) into the next programme.

37. It was noted that all programmes had been adversely affected by the reduction of available UNDP resources to 55 per cent of what had been planned for the third cycle. In one typical programme, Nepal, it was found that while this reduction had led to cost-effective retrenchment measures in ongoing projects and to the deletion of some peripheral activities, it also forced the postponement or abandonment of a number of projects in priority areas. The impact was most severe in the smaller programmes; for example, in Papua New Guinea where an IPF of \$13.5 million had originally been set for the 1982-1986 period, the reduction, together with the overexpenditure in, and ongoing commitments from, the previous cycle, had the net result of leaving only \$2 million available for new initiatives in the third cycle.

38. There were two main areas of concern expressed in the various assessments. First involved the delivery rate which, if looked at cumulatively over the entire programme period, was somewhat lower than had been hoped for in several of the programmes under consideration. The second area of concern expressed for certain country programmes was the number of project extensions that were required. The extreme case was in the Lao People's Democratic Republic where, for a variety of reasons, project extensions and second phases have been the rule rather than the exception with the major contributing factor being the lack of qualified counterpart personnel and necessary counterpart facilities. While the situation was not satisfactory, it was unavoidable given the stage of the country's economic development.

39. As for the factors which have impeded programme delivery, the following were commonly and not unexpectedly singled out given the nature and process of

UNDP's technical co-operation activities. On the Government side were delays encountered with project formulation and appraisal; slow and cumbersome procedures in clearance of experts; difficulties in identifying and processing qualified fellows for overseas training; and problems arising from the absorptive capacity of Government including non-availability of the necessary counterpart personnel and facilities. On the side of UNDP and agencies were such factors as unrealistic programming of inputs without sufficient lead-time required for their mobilization and undue delays encountered in providing suitably qualified experts and delivery of equipment. However, the most critical area of programme development and implementation where improvement was called for was that of project formulation. The assessments pointed to the need for increased attention to project design and the importance of developing a strong pipeline.

40. The lessons drawn from the above assessments as they pertain to individual country circumstances were in each case taken into consideration in the formulation of the new country programmes.

#### IV. REVIEWS WITHIN THE PROGRAMME CYCLE

41. In 1985, nine other countries conducted regular programme reviews: Afghanistan, Burma, Democratic People's Republic of Korea, Iran (Islamic Republic of), Malaysia, Maldives, Pakistan, Sri Lanka and Thailand.

42. While the main focus of the reviews was on the implementation of ongoing projects, the status of the pipeline and the IPF resource situation, they also usually dealt with the basic direction of the programme in relation to national development plans, general policy questions and management issues pertaining to the improvement of programme implementation.

43. In general, the 1985 reviews confirmed that the implementation of the country programmes continued to be in accordance with their stated objectives and that the country programmes themselves remained consistent with national development priorities. Sectoral adjustments were needed in only one case, in the Democratic People's Republic of Korea, where it was agreed that the processing of pipeline projects in the non-industrial sectors should be accelerated to redress a potential imbalance in the sectoral distribution of resources.

44. Assessments of the relevance of the ongoing country programme to national development plans were carried out quite comprehensively in the reviews held in Malaysia and Thailand. The review in Malaysia indicated that 70 per cent of programme resources had been devoted to the agriculture, manufacturing and trade and multi-sectoral planning and development sectors in roughly equal parts -- a sectoral distribution that had originally been envisaged and was in keeping with the revised goals of the fourth Malaysian plan. In Thailand, the review also indicated that the allocation of UNDP resources was consistent with the themes of the country programme. The two-day meeting in Thailand also reviewed 44 projects that had been

implemented during the current programme cycle to assess their accomplishments and relevance to the themes of the programme and to identify positive and negative factors in their implementation which could be of relevance to other ongoing projects.

45. Management discussions were generally directed at problems of shortfall in project delivery and the need to expedite project formulation and to strengthen the project pipeline. In Afghanistan it was agreed that more frequent use would be made of preparatory assistance and project formulation missions to expedite project preparation, and that the State Planning Committee would more closely monitor line ministries to ensure timely clearance of experts. In the Democratic People's Republic of Korea, it was agreed that a joint UNDP-Government project appraisal committee would be established and that more frequent joint financial reviews and project monitoring visits would be carried out. In both countries the need for translating policy and project-related documentation into the national language was stressed and UNDP support agreed on. The need for training of Government personnel in project design and formulation and in project management and evaluation was expressed in several countries and arrangements were made to meet these requirements.

46. A major item at all the country programme review meetings was the scrutiny of pipeline projects and the commitment of available resources for those proposals as well as for needed project revisions. Thus in Burma, the Government Aid Co-ordinator agreed to initiate steps to obtain Cabinet authorization to approve some 26 pipeline projects that were ready for implementation. In Pakistan, agreement was reached on five of eight new project proposals as well as five major project budget revisions. In Sri Lanka, some 21 project proposals and project revisions were considered and action agreed on to ensure maximum utilization of third cycle resources while at the same time maintaining programme quality.

47. Because the current programme cycle is nearing completion, the one programme policy matter brought up at all the reviews concerned the formulation of the next country programmes and other preparations for the transition to the fourth programming cycle. Other policy questions taken up generally concerned matters of aid co-ordination and resource mobilization. In Maldives there was discussion on strategies to maximize utilization of the relatively small IPF resources available and on ways to promote multi-bilateral financing. In Pakistan there was agreement on the need to strengthen programme linkages with the investment-oriented work of AsDB and the World Bank. In Thailand various avenues for expanding third-party cost-sharing with bilateral donors were identified and it was agreed that more cost-sharing could be sought from income-earning State enterprises in the country.

## V. REVIEW OF THE INTERCOUNTRY PROGRAMME

48. In the course of 1985, continuous efforts were made to direct the intercountry programme towards the recommendations agreed upon at the meeting of aid co-ordinators held at Bangkok in 1984: programme rather than institutional support, networking arrangements based on existing institutions at the national level, strengthening of TCDC arrangements, increased use of UNVs in project implementation and increased involvement of aid co-ordinators and national institutions in the identification and preparation of projects.

49. During the year, 30 projects were started, of which 15 were aimed at assisting new areas of development. As concerns sectoral emphasis among these projects, technology and industry, development planning and administration, and trade and economic co-operation emerged as the major areas of concentration. A majority of the new projects focused on programme support and/or networking arrangements, thereby complying with the recommendations made at the aforementioned meeting. While most of the projects were designed to provide a region-wide coverage, seven projects were specifically intended for the countries members of the Association of South-East Asian Nations (ASEAN) and two projects for the least developed countries.

50. The highlight of the year was the commencement of the programming exercise for the fourth intercountry programme (1987-1991), a consultative process designed to solicit the views and engage the direct involvement of the government aid co-ordinators. The exercise was initiated by a request in March 1985, to the Economic and Social Commission for Asia and the Pacific (ESCAP), executing agencies, resident representatives and Governments in the region, to submit regional project proposals for the fourth cycle. All told, 939 project proposals for the fourth cycle were received, with 570 of them emanating from Governments and field offices.

51. Each project proposal submitted was screened in detail. The proposals were first grouped by subject and measured according to the level of country support. Second, country proposals were matched with those made by the United Nations agencies. Third, responses from the field and the findings of relevant evaluation missions were utilized in the assessment of proposals regarding ongoing regional projects. Fourth, ongoing and pipeline country projects were assessed to determine their relationship to the new intercountry programme proposals and to identify country-level institutions that might be used on a regional basis. Fifth, the proposals were technically examined and reviewed with respect to their consistency with the sectoral needs assessments.

52. To facilitate further consideration of the proposals, a substantive assessment of the changing needs for development and of technical co-operation opportunities in the region was undertaken. In this exercise two areas of programme concentration were identified -- technology transfer and human resources development -- against which the project proposals were analysed in terms of relevance. Moreover, policy directions for the future composition and structure of the regional programme were established: (a) the programme's objective will be to serve the development of the countries concerned by means

of intercountry co-operation and UNDP technical assistance, rather than by promoting co-operation as an end in itself; (b) the outreach of the programme will be expanded by including multiple-based projects, increasing the use of existing national and regional institutions and the participation of the business sector and non-governmental organizations (NGOs); and (c) intercountry programme supplementation and strengthening of national efforts will be enhanced.

53. From the results of the screening process, a preliminary list of 159 project proposals was prepared and submitted together with the policy framework for the fourth cycle to ESCAP, all agencies, Governments and resident representatives in October 1985. Governments and field offices were asked to classify the proposals with respect to priority, the results of which have been received and will provide an important input in formulating the fourth cycle intercountry programme. Extensive consultations were also held with ESCAP and the agencies during November and December 1985. In addition, a meeting with the government aid co-ordinators of the Pacific Island countries was held in Suva in February 1986 to discuss proposals of special interest to the small island countries for the Pacific component of the fourth cycle intercountry programme.

54. Based on the above activities, the proposals for the fourth cycle intercountry programme were being prepared and, in accordance with established practice, will be reviewed at a Meeting of Aid Co-ordinators scheduled to be held in Bangkok in October 1986, for eventual presentation to the Governing Council in 1987.

## VI. REVIEW OF PROJECTS

55. In the course of 1985, a total of 457 tripartite project reviews were held in the Asia and the Pacific region. In addition 99 in-depth evaluations took place. These figures compare with 438 and 76 respectively in 1984. These management activities, essential for the effective monitoring of ongoing projects as well as for drawing lessons from experience, have assumed even greater importance in the context of the effort to enhance project quality.

### A. Evaluations

56. Last year, the Regional Bureau reported to the Governing Council on special studies on the effectiveness of project tripartite reviews and of evaluations (carried out in collaboration with Bureau for Programme Policy and Evaluation/Central Evaluation Office). This past year another study was carried out by the Central Evaluation Office in co-operation with the Bureau, to assess the results of a sample of 42 evaluations conducted by the latter in 1984. The 42 evaluations were selected from a total of 76 and comprised all or most of the projects in the sectors of agriculture, natural resources, development planning and one country, Bangladesh. The majority of the projects were institution-building projects with strong socio-economic orientation, while others dealt with technologically sophisticated issues.

57. While there are some negative aspects among the findings listed below, the study found that no project was totally unsuccessful and a significant number had achieved all their objectives and made major contributions to national or regional development.

58. Specifically, the study concluded that:

(a) In general, international experts and consultants were capable and effective, although in some cases expertise was underutilized;

(b) Short-term consultancies were effective when the field of study was well defined, precisely focused and if terms of reference were accurately drafted;

(c) Significant delays occurred in the recruitment of national and international staff in a good number of projects evaluated;

(d) In some cases when subcontractors were used, there were shortcomings in the backstopping and administrative arrangements made by subcontracting companies, and inappropriate training techniques were used;

(e) In a few cases overseas training was provided when comparable local training was available;

(f) In general, equipment purchased was adequate, installed and functioning and, where problems of delivery and appropriateness were found, they were most frequently in projects reported to be badly designed overall;

(g) Building construction problems centred around shortage of funds, escalating prices and shortage of building supplies;

(h) Lack of adequate definition of beneficiaries was a recurring problem in project design.

#### B. Evaluations of intercountry projects

59. In preparation for the fourth cycle intercountry programming exercise the Bureau undertook a review of intercountry project evaluations which had been conducted during the preceding two years. The purpose of this was to assess the degree to which such evaluations had led to improved programme performance with a view to taking this into account when designing the fourth intercountry programme for Asia and the Pacific. In addition to the generally positive findings regarding the process and substantive content of these intercountry project evaluations, the review concluded that they had had a relatively high degree of effectiveness and that their recommendations had been followed.

C. Project Appraisal Committee at headquarters

60. As part of the Administrator's plan of action for improved project quality, regional bureaux were to establish Project Appraisal Committees. The Regional Bureau for Asia and the Pacific had already established a project appraisal committee several years ago to review projects which involved special issues or complexities. In mid-1985 this Committee was reconstituted with new terms of reference under which all project proposals with UNDP inputs of \$1 million or more must be submitted to it, as well as any other project proposals which raise questions of policy or procedure. Along with senior staff of the Bureau, all Committee meetings include technical officers from the Bureau for Programme Policy and Evaluation and, where appropriate, executing agency staff or consultants involved with the projects under discussion.

61. During the last quarter of 1985, the Committee met nine times and discussed 30 projects for which UNDP inputs totalled \$57 million. Of the 30 project proposals, seven were recommended for approval without significant amendment, 17 were recommended for approval subject to specified amendments, and six were not recommended for approval.

62. The majority of projects proposed and appraised were found to be justified in terms of objectives and design. However, the Committee has frequently called for improvements in the preparation of project documents to provide: (a) more specific benchmarks for organizing and judging the proposed activities; (b) greater specificity in project outputs (both quantification and qualification); (c) more attention to the institutional framework, particularly co-ordination among national entities as well as between external donors; and (d) backward and forward linkages to ensure the full involvement of potential beneficiaries from assisted projects.

D. Interaction with executing agencies

63. The Bureau believes that the Committee has already yielded positive results by emphasising the importance of good project design and by the dissemination of comments on design to field offices. This, together with the ongoing training in project design, monitoring and evaluation, is part of the process for improving the quality of projects. The rest of the process involves regular and practical interaction with the recipient Governments and the executing agencies, predominantly through the field offices of the region. As regards executing agencies, in addition to in-country contacts, periodic visits to agencies' headquarters by senior field staff are encouraged in the interest of good communications and problem-solving. During 1985, virtually all resident representatives in the Asia and the Pacific region visited one or several agency headquarters, frequently in combination with home-leave travel or attendance at a conference such as the Global Meeting of Resident Representatives in Copenhagen or Consultative Group meetings.

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## VII. CO-ORDINATION OF ASSISTANCE

64. In the Asia and the Pacific region, UNDP is involved in consultative arrangements both by its sponsorship of round-table meetings under the Substantial New Programme of Action for least developed countries and its increasingly active participation in World Bank-organized Consultative Group meetings.
65. Four Asia and the Pacific least developed countries (Bhutan, Lao People's Democratic Republic, Maldives and Samoa) have decided to hold a second series of round-table meetings in April 1986, and during the course of 1985 the Regional Bureau for Asia and the Pacific and the UNDP field offices in these countries were actively involved in facilitating and supporting the preparatory work for the forthcoming meetings.
66. During the past year, Consultative Group meetings were held for Bangladesh, Burma, India, Pakistan, Sri Lanka and the Philippines. A similar forum for the mobilization and co-ordination of external financial assistance for Indonesia, the Inter-Governmental Group for Indonesia, established at the initiative of the Netherlands, was also convened in 1985. The annual meeting of the Co-ordination Committee for the South Pacific Forum (covering the Cook Islands, Fiji, Kiribati, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) was held in August 1985.
67. Considerable effort has also been made by UNDP resident representatives, particularly in carrying out their mandate as resident co-ordinators of the United Nations operational activities for development at the country level, to enhance co-ordination by strengthening in-country consultations and collaboration with other multilateral agencies and bilateral donors. In Sri Lanka, for example, the Resident Representative/Resident Co-ordinator has convened monthly meetings of local representatives of United Nations agencies including the World Bank and the International Monetary Fund (IMF), as well as informal meetings, approximately every six weeks, of senior officials responsible for aid matters in the missions of the Aid Consortium member countries for the purpose of exchanging information on actual and proposed programmes. In Nepal, the Resident Representative/Resident Co-ordinator, in co-operation with the World Bank representative, has been assisting the Government in organizing periodic meetings of the local aid group (which includes most of the major bilateral and multilateral donors) and, at the request of the Government, the UNDP field office has served as the secretariat for these meetings. In Indonesia, the Inter-Agency Consultative Committee, made up of the local representatives of United Nations agencies and the World Bank and IMF, was established by the Resident Representative/Resident Co-ordinator in 1982 and in the past year has met every month under his chairmanship.
68. UNDP has been requested by Governments in several countries to assist in strengthening their aid co-ordination machinery. In the Lao People's Democratic Republic, for example, a UNDP-funded project has been implemented to assist the Government to maximize the returns from externally financed

capital assistance projects by fostering interministerial co-ordination and establishing a co-ordination unit in the Ministry of Finance. In the Philippines, UNDP has provided support to the National Economic and Development Authority to strengthen co-ordination of external assistance for regional development through the preparation of bilateral-multilateral investment packages. In Nepal, UNDP has assisted the Government in its efforts to provide a framework for the co-ordination of external assistance in the crucial agriculture sector.

69. UNDP has also been able to assist Governments in aid co-ordination through the UNDP country programming mechanism which is intended to provide a frame of reference for both United Nations system as well as other development assistance activities. In addition, in the Asia and the Pacific region, UNDP will be supporting needs assessment exercises as part of the country programming process in order to strengthen it as a framework for co-ordinated technical co-operation.

70. Finally, the UNDP resident representatives/resident co-ordinators, as the representative for the Office of the United Nations Disaster Relief Co-ordinator (UNDRO), the World Food Programme (WFP) and other United Nations organizations not represented in country, have ensured proper co-ordination when assistance was required from the United Nations system during emergency situations. During 1985, the resident representatives in Bangladesh, Fiji and Viet Nam were called upon to provide assistance for disaster relief from cyclone and typhoon damages in these countries as well as in Vanuatu. In Thailand, the Resident Representative continued to direct the co-ordination of special emergency arrangements for United Nations Border Relief Operations (UNBRO) to ensure co-ordination of incoming food and other supplies for refugees in the border areas.

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