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MID-TERM REVIEWS OF COUNTRY AND INTERCOUNTRY PROGRAMMES

Reports on mid-term reviews: an overview

Report of the Administrator

SUMMARY

The present report is the fourth and final in a series responding to Governing Council decisions 89/11 of 24 February 1989 and 90/33 of 20 June 1990. It highlights the achievements and experience of the mid-term review process concluded in 142 countries and regions. It is forward-looking and suggests areas for improvement which would receive greater emphasis in the revised guidelines for the fifth programming cycle.

No significant changes were noted in the economic policy or priorities of the programmes concerned to warrant any resubmission of them to the Council. The report contains a section on the lessons learned from the review of the last 44 programmes which apply equally to the review of the 98 earlier programmes during the period June 1989 to June 1990. It identifies the actions the Administrator will undertake to guide this process in the future.

INTRODUCTION

1. In its decision 89/11 of 24 February 1989, the Governing Council requested the Administrator to report on the mid-term reviews of country and intercountry programmes carried out during the fourth cycle. This report is the fourth and final one in the series and summarizes the conclusions of 44 reviews completed since January 1990. Ninety-eight programmes were reviewed up to December 1989. An independent evaluation has been conducted and reported upon to the Council in June 1990.
2. The mid-term review process, as evident in the country reports, was generally considered to have been productive and beneficial to all concerned. The field offices and Governments, for the most part, were conscientious and thorough in their preparations and review meetings. The process provided a useful occasion for stock-taking at the programme level, rising above the detail of project operations. It brought government agencies, concerned United Nations agencies, and the United Nations Development Programme (UNDP) together in a collaborative consultation which was largely instructive for all participants. The process also provided opportunities to redefine or reconfirm broad programme priorities and to identify common implementation issues. It gave an impetus towards increased dialogue at the programme level, although more definitive strategic planning in areas of concentration will be necessary, and provided a head start on issues to consider in the fifth cycle. The mid-term review of the third country programme for Nigeria was particularly noteworthy in underlining that the Government had, for the first time, been involved in determining the content and character of the country programme.
3. For the mid-term review to achieve its full potential, greater attention will have to be given to performance at the programme level. It will also be a helpful tool for monitoring the policy initiatives of UNDP, including the integration of human development and the focused approaches identified in Governing Council decision 90/34 of 23 June 1990. It should assist, too, in the synchronization with programme and review cycles of Governments and other United Nations programmes, and be more specific as to linkages with other United Nations and non-United Nations programmes. The Administrator recognizes that a prerequisite for improved reviews would be a well-developed, integrated country programme and is addressing this high priority issue through guidelines, regional meetings and seminars. Furthermore, the process will be made more productive by focusing it on a set of issues developed with the government in advance, rather than focusing only on a comprehensive status report.
4. As requested by the Council, summary financial data on indicative planning figure (IPF) commitments and expenditures are provided in the annex to this report. No country programme evaluations were proposed in the reviews.

I. COUNTRY PROGRAMMES, COUNTRY CONDITIONS, AND
SIGNIFICANT CHANGES

A. General observations

5. One of the main purposes of the mid-term reviews, as requested by the Council, is to determine whether the country programmes continue to be appropriate in the light of current economic, political, social conditions and whether they are proceeding according to plan.

6. The reviews in the period under consideration demonstrated that the country programmes were consistent with national development priorities and addressed priority economic and social constraints. Thus, no resubmissions to the Council for approval were required. Each review provided - in greater or lesser detail - an overview of the country setting as a backdrop for the selected country programme priorities. In several cases, the priorities and linkages were well laid out in sector papers prepared for the review meetings. The original identification of development priorities in broad sectors or themes left considerable latitude for significant programme changes within approved programme objectives. Within these broad objectives and themes, significant changes took place in some of the country programmes, for instance:

(a) The mid-term review for the fourth country programme for The Papua New Guinea Mid-Term Review reported a significant deviation from the original target in terms of sectoral allocations. The emphasis on the agriculture sector has been reduced considerably while that on public sector policy, planning policy formulation and management has been increased;

(b) The mid-term review of the fifth country programme for Kenya pointed out that there had been serious shortcomings in the conception of the fifth country programme. First, the theme of employment generation had been so broadly defined as to encompass every project in the programme. Secondly, it contained ambitious expectations for cost-sharing and parallel financing which have not been fulfilled. In light of these issues, the Government and UNDP agreed to undertake a thorough reassessment of the programming priorities and directions. The mid-term review was successful in narrowing the focus of the country programme under a revised employment generation theme which is now relevant to the Government's national development policy.

7. For most country programmes, country conditions remained relatively stable and thus did not require significant programme changes. However, a few countries such as Gambia, Jamaica, Burkina Faso, Nigeria and Mali experienced serious deterioration in their economies and also adopted economic recovery and structural adjustment programmes subsequent to the approval of the country programmes. These developments led to modifications in the country programmes mainly because of a reduction in financial support from the Governments. In the case of Sudan, the country programme had to be adjusted to accommodate the increasing pressures for humanitarian assistance.

8. The reviews demonstrated how the country programmes permitted adjustments almost annually, from the outset, to reflect changes in country circumstances and new understandings of conditions, problems, and opportunities. For example, many of the country programmes had added a number of projects not originally approved. In Burkina Faso, 25 new projects were added to the original 43 approved; Thailand added 22 to the original 63; Yemen 6 to the original 13; Kenya 11 to the original 140; and Morocco 7 to the original 42. In Tanzania, 32 projects out of a total of 91 ongoing projects had been added. The addition of these new projects early in the cycle, along with a number of projects carried over from the previous cycle, meant that country programme funding was almost fully committed at the time of the review, leaving little flexibility for further modifications or reprogramming.

9. Consistency with national development priorities being a primary test for sound programmes - a conclusion reached in all the reviews - all the country programmes had the potential for making positive contributions to the development of the country.

10. Few of the reviews discussed and analysed the distinctive role of technical co-operation in creating human and institutional capacities and in transferring technology to achieve development objectives. During the Kenyan review, the participants debated the relative merits of technical co-operation for direct support versus institution-building. The conclusion was that non-sustainable, direct support may be an acceptable technical co-operation modality under selective circumstances where highly specialized expert advice is needed for delicate management issues. The participants recommended, however, that at project appraisal and the initial assessment stage, a strategy be clearly delineated for moving from direct support to institution-building that follows the time-frame for development of Kenyan institutions (5-10 years) and not the duration of the typical UNDP project (2-5 years). The discussion in the Kenyan review was a notable example of a serious concern about the role of technical co-operation in institution-building. References to national technical co-operation assessments and programmes (NaTCAPs) in other reviews pointed to plans to develop more comprehensive national programmes for technical co-operation. This would provide a more precise basis for ensuring the consistency of country programmes with country conditions and institutional development requirements. This needs greater emphasis in future MTRs.

II. COUNTRY PROGRAMMES AS A FRAMEWORK FOR NON-UNDP FUNDED PROGRAMMES

11. The Governing Council has suggested that the country programmes and mid-term reviews serve as guides for the programmes of the other United Nations agencies not funded by UNDP and for the non-United Nations donor community. While the reviews reported greater communication within the United Nations family and enhanced United Nations agency involvement in country programme and mid-term review processes, they did not establish that these agencies were guided by the country programme for their non-UNDP funded activities. Other donors also did not generally view the country programme as the Government's programme and therefore one to which they should respond.

12. While the mid-term review for the fourth country programme for Gambia states that the country programme does not provide the kind of overall analysis of technical co-operation needs required for donors to make use of the country programme as a frame of reference, the Honduras report pointed out that the country programme has served as a useful framework for the identification of technical co-operation for UNDP, but to a lesser extent for the rest of the Joint Consultative Group on Policy (JCGP) organizations and that it does not appear that the programme has been used by other sources of technical co-operation, especially bilateral donors, to identify projects.

13. There is, however, evidence of instances where UNDP has helped design specific programmes which have facilitated the generation of other donor resources. In Mali, the review refers to positive results from donor co-ordination on Mali's control of desertification and enterprise development programmes. In Nigeria the review refers to the broad utility of the country programme as the main framework for technical co-operation programmes of United Nations agencies: it has served as a global reference for the purpose of determining the broad priority areas for external technical co-operation, and for avoiding potential duplication and/or for promoting complementarities.

14. Other UNDP programming mechanisms, such as NaTCAPs, technical co-operation needs assessments, and the strengthening of government planning, management and co-ordination, have provided a basis for guiding assistance from United Nations agencies and other donors. UNDP efforts should thus prove more productive as it helps build government capacities to design national development programmes for technical co-operation requirements as a means for attracting and co-ordinating other donor resources.

III. PROGRAMME ISSUES

15. The mid-term reviews provided useful insights on a number of programming issues suggested by the Governing Council. These are briefly commented on in the following sections.

A. Linkages with macro-planning instruments

16. Several of the reviews pointed out country programme sectoral and thematic linkages with structural adjustment programmes. These linkages were particularly manifest in the focusing of technical co-operation on areas of economic planning and management. Linkages with public investment programmes and national budgets were less evident. Apart from noting consistency in sector priorities, the integration of technical co-operation resources, comparable to the treatment of capital resources in public investment programmes and national budgets, needs continuing attention.

B. Programme achievement and results

17. Mid-term reviews have sought to describe the results of country programmes as defined in their objectives. However, it is important that some assessment be made of what difference these results make to the development of a country. Furthermore, because the mid-term reviews have been used as an operational management tool, they did not in general seek to provide information on the outputs, impact, or sustainability of country programme activities. Although some of the reviews, such as that for the fourth programme for Morocco pointed out that it was too early in the cycle to make such judgements, the projects and sector concentrations carried over from previous cycles provided some opportunity for this analysis. The review of the fourth country programme for Mali provided brief theme-by-theme comments on achievements to date which gave a useful picture of the significance of the programme. Other reviews such as that for Papua New Guinea noted the useful contributions of UNDP in support of national planning. Otherwise, the reviews limited their observations to project progress. While retaining those aspects of the reviews that serve as a guide for operational mid-course corrections, field offices will be encouraged in the revised guidelines to consider the likely impact or sustainability of results whenever feasible.

C. Special Interests (Women in development, Private sector, Environment)

18. In general, the reviews referred only briefly to UNDP special interests to make the point that those interests were being or would be addressed. As those interests are relatively recent and have been promoted more or less concurrently with the fourth programming cycle, it is too soon to judge whether there has been significant progress. Future guidelines for reporting on progress will be more explicit. A separate cross-cutting evaluation comparable to the one on the mid-term review process itself may be necessary to determine the extent to which these interests are being effectively addressed.

D. The programme approach

19. The reviews reflected a general movement toward more focused programmes. However, in most instances, these sector and theme concentrations did not reflect a tightly programmed approach. The concentrations continued to allow considerable flexibility for accommodating a wide range of projects proposed by Governments to fit changed circumstances. Each of the reviews reported that their projects fell under four to five themes or objectives, for example:

Mali: strengthening planning capacity, increased food and livestock production, training and employment; Gambia: improving government planning and management, enhancing agriculture and the rural sector, training and employment; Sudan: participatory rural development, regional planning, environment and natural resource use, disaster management (added to the original programme); Jamaica: public sector management, external investment and private sector production in mining, manufacturing and export agriculture,

environmental management for sustainable agriculture, tourism and natural resources; Morocco: access to water resources, agro-sylvo-pastoral-fisheries production, management of development, improvements in public and private sector investment, rural and urban employment and revenue generation.

20. UNDP is aware that, while reflecting some progress toward programme concentrations, the clustering by theme or objective does not in itself constitute an effective programme approach. This issue was described in the full text of the evaluation report made available to the Governing Council at the thirty-eighth session. It was noted that the central question is the extent to which UNDP assistance should be programmed to address specific sets of issues or problems, with clear targets and measures of performance established beforehand, all based on an ex-ante identification of country needs for technical co-operation and linked coherently to the public investment plans or institutional development programmes of the country concerned or whether such assistance should be provided as a flexible response to spontaneously emerging needs.

21. Even though the mid-term review is an operational tool, previous overviews have clearly remarked that a more concentrated and well-defined programme, rather than project orientation, would facilitate reporting on impact and sustainability. Guidance on performance measures specifically linked to determining progress in human and institutional capacity-building - the primary purpose of technical co-operation - will be required. The interest in developing a programme approach will provide a further impetus for focusing greater attention on programme contributions to development.

E. Government execution

22. Several of the reviews noted the increasing number of programmes being shifted to government execution arrangements. At the same time, they cited a number of administrative problems with this approach. Many Governments, while preferring the government execution modality, are cautious about their ability to meet UNDP requirements for administration and accountability and about their own limited staff resources for programme management.

23. The mid-term review of the fourth country programme for Tanzania points out that while the government execution modality is being encouraged (eight projects under government execution), more care is being taken in assessing not only the actual execution capacity, but also the monitoring and co-ordinating functions of the central government. Thailand reported that it had increased government execution from 8 to 16 projects between the third and fourth cycles; however, problems were encountered in the implementation of this modality, e.g., administrative problems in the procurement of some project inputs. In Nigeria, the Government explicitly indicated its choice for the use of government execution forthwith, to recoup ground lost to the inefficiencies of the previous modality and to develop relevant national capacity for managing technical assistance programmes. The government execution modality had not been used previously in Nigeria.

24. In its decision 90/21, the Governing Council has asked UNDP, in consultation with Governments, to pursue and vigorously accelerate the process of national execution. As requested by the Council, proposals will be submitted to the Council at its thirty-eighth session to assist Governments to build up their programme management and administrative capacities.

F. Implementation

25. Most of the reviews brought out the serious, but well known, problems of delayed approvals and deliveries of project resources. The review process provided a productive opportunity beyond individual project-level discussions for UNDP to air specific issues with Governments and United Nations agencies, and vice-versa. The review of the fourth country programme for Kenya pointed out that in the recent past, the programme had a low delivery rate; the underlying reasons for which can be traced throughout to the formulation, appraisal, approval and implementation stages of the project cycle. Slow approval processes and poor performance by executing agencies were cited as primary factors. On the other hand, the review of the fourth country programme for Venezuela pointed out that implementation or delivery rates have been satisfactory throughout the programming cycle, denoting a high absorptive capacity despite the institutional changes that occurred in 1989.

26. Overall, the prevailing pattern in the mid-term reviews of less than optimal programme implementation suggests the need for a special cross-cutting review of issues raised in the reviews, to be followed by more in-depth examinations of specific implementation problems.

IV. LESSONS LEARNED

27. The following lessons have been learned from the mid-term reviews:

(a) The mid-term review process. The mid-term reviews proved to be a productive procedure for engaging the participation of recipient Governments, and, to a varying extent, that of other agencies in the examination of country programme priorities and implementation; they did not, however, involve other bilateral donors to any significant extent;

(b) Significant changes. Owing to the broad definition of programme objectives and themes, the country programmes had ample latitude for making continuous programme changes, as country conditions and experience dictated. Deterioration in local economies resulting in public sector budget shortages and new priorities as well as changing preferences in the mix of technical co-operation components (short-term rather than long-term experts, greater use of local experts, more budget support) were factors leading to modifications in country programmes;

(c) Frame of reference. The country programme provided limited guidance for non-UNDP-funded, United Nations agency, and bilateral donor programming. The exceptions related to specific United Nations-designed programmes which generated other donor funding in a few instances. UNDP assistance to Governments in

developing national level technical co-operation needs assessments for human and institutional development and for planning national technical co-operation programmes will more effectively guide the participation of other donors;

(d) Linkages with macro-planning and policies. The country programmes supported government macro-planning and policy measures. Closer linkages with public investment programmes and national budgets need to be specified more clearly in the mid-term reviews;

(e) Achievements and results. The review guidelines did not give priority to reporting on achievements and results. Where these benefits were described and analysed, they provided a helpful understanding of the significance, relevance, and contributions to country development of the country programme;

(f) Special interests (women in development, private sector, environment). Field offices and Governments were aware that UNDP promotes these special interests, according to the reviews. Information and analysis on these subjects in the reviews was not sufficient to judge their significance and effectiveness in the country programme operations;

(g) Programme approach. The reviews demonstrated progress in clustering projects under three to five major objectives and themes. However, these clusterings were still general. Effective applications of planned programme approaches are needed for future programmes;

(h) Government execution. The government execution modality was increasingly preferred by Governments while the need was recognized to strengthen government capacity to apply UNDP regulations and meet UNDP requirements for accountability, co-ordination and monitoring;

(i) Implementation. Serious country programme implementation problems continue to undercut quality performance: slow approvals by Government and UNDP, delays in delivery of services, and inadequacies in quality of expertise provided were common complaints.

V. ACTIONS TO BE UNDERTAKEN BY THE ADMINISTRATOR

28. As a result of the above and as a follow-up to the independent evaluation conducted, the following actions, which will strengthen the integrated sequence of the planning and review of country programmes, will be undertaken by the Administrator:

(a) Issuance of revised mid-term review guidelines for the fifth cycle, incorporating the lessons derived (see section IV) and eliminating any inconsistencies identified in the earlier guidelines; and

(b) Maintenance of focus on implementation problems associated with UNDP programmes.

29. The Governing Council has stated that a full assessment is required toward the end of the fourth year of a five-year programme as an input to the preparation of the next programme. In all cases, these assessments will take account of the key issues raised by the mid-term reviews. Also, the timing of the reviews in relation to the five-year programme will influence the scope and depth of each programme assessment.

ANNEX

SUMMARY FINANCIAL DATA ON COMMITMENTS AGAINST IPFs a/

Table 1. IPF commitments at mid-term reviews b/

	<u>RBA</u>		<u>RBASE</u>		<u>RBAP</u>		<u>RBLAC</u>	
	No.	%	No.	%	No.	%	No.	%
Percentage of commitment at mid-term review								
75 per cent and above	14	100	5	72	7	100	10	71
Between 50 per cent and 74.9 per cent	0	0	1	14	1	-	4	29
Below 50 per cent	0	0	1	14	1	0	0	0
Total	<u>14</u>	<u>100</u>	<u>7</u>	<u>100</u>	<u>9</u>	<u>100</u>	<u>14</u>	<u>100</u>

a/ Most of the programmes considered had already committed a large part of their IPFs at the time of the reviews: 86 per cent of the programmes reviewed during the period 1 January to 31 October 1990 had committed over 75 per cent of their IPFs; 12 had committed between 50-74 per cent, and 2 per cent had committed below 50 per cent.

b/ The high level of commitment by the time mid-term reviews were conducted left little scope for redirecting the unprogrammed resources based on the recommendations of the mid-term reviews. Table 2 shows the actual commitments.

Table 2. IPF commitments at mid-term review by region

Country	Date of mid-term review	IPFs <u>a/</u> (1)	Budgets approved at time of MTR <u>b/</u> (2)	(2) as percentage of (1)
I. REGIONAL BUREAU FOR AFRICA				
Angola	22/02/90	24 525	24 142	98
Burkina Faso	01/02/90	46 900	43 857	94
Central African Republic	01/05/90	24 825	23 192	93
Comoros	01/05/90	7 862	7 449	95
Congo	01/04/90	6 501	8 219	126
Equatorial Guinea	01/04/90	10 382	10 129	98
Gambia	15/03/90	12 786	12 922	101
Kenya	01/03/90	40 767	36 259	89
Mali	01/05/90	50 279	42 066	84
Mauritania	27/03/90	15 561	12 623	81
Nigeria	01/05/90	38 741	40 364	104
Seychelles	01/02/90	1 289	1 574	122
Sierra Leone	01/05/90	23 223	22 738	98
United Republic of Tanzania	01/01/90	57 512	54 456	95
II. REGIONAL BUREAU FOR ASIA AND THE PACIFIC				
Kiribati	01/03/90	2 101	2 346	112
Malaysia	01/02/90	8 864	11 764	133
Maldives	15/03/90	5 142	4 708	92
Pakistan	01/01/90	73 299	71 527	98
Papua New Guinea	01/02/90	11 646	11 801	101
Solomon Isles	01/09/90	3 745	2 956	79
Sri Lanka	01/09/90	45 077	43 199	96
Thailand	01/02/90	29 020	28 984	100
Tuvalu	01/04/90	1 129	1 209	107
III. REGIONAL BUREAU FOR ARAB STATES AND EUROPEAN PROGRAMMES				
Cyprus	29/03/90	2 955	3 024	102
Morocco	20/01/90	22 385	18 551	83
Qatar	25/03/90	709	317	45
Sudan	01/05/90	46 744	31 378	67
Syria	01/04/90	8 864	12 125	137
Yemen	01/04/90	27 150	31 869	117
Inter-country programme for Arab States	15/10/90	47 320	51 488	109

Table 2 (continued)

Country	Date of mid-term review	IPFs <u>a/</u> (1)	Budgets approved at time of MTR <u>b/</u> (2)	(2) as percentage of (1)
IV. REGIONAL BUREAU FOR LATIN AMERICA AND THE CARIBBEAN				
Belize	01/05/90	1 289	1 018	79
Bolivia	01/06/90	23 554	22 920	97
Cayman Islands	23/04/90	481	533	111
El Salvador	01/06/90	10 769	9 783	91
Guatemala	01/03/90	7 682	8 874	116
Guyana	01/09/90	10 086	10 330	102
Honduras	30/03/90	11 565	8 271	72
Jamaica	28/02/90	4 432	2 743	62
Mexico	01/08/90	11 819	11 501	97
Saint Helena	03/01/90	473	695	147
Suriname	12/02/90	2 068	1 403	68
Trinidad and Tobago	13/07/90	2 364	7 473	316
Turks and Caicos Islands	14/04/89	971	564	58
Venezuela	01/03/90	4 720	4 248	90

a/ IPFs plus supplements established per the Administrator's report on the mid-term resource situation (DP/1989/26). Does not include carry-overs from third cycle.

b/ Source: Monthly approval reports. Note that some approved budgets include non-IPF sources of financing.
