

FIELD VISITS

**Undertaken by the group that visited
BOLIVIA (29 August - 5 September 1992)
and
PARAGUAY (6-13 September 1992)**

List of Participants

Eastern Europe

- 1. Mr. Yuriy N. Isakov (Russian Federation)**

Latin America and the Caribbean

- 2. Mr. Max Stadthagen (Nicaragua)**
- 3. Mr. William Ehlers (Uruguay)**

Western Europe and Other States

- 4. Mr. T. Borja de Mozota (France)**
- 5. Mr. Massimo Amadio (Italy)**
- 6. Mr. Peter Dwite (United Kingdom)**

Table of Contents

	<u>Page</u>
1. Introduction	1
2. Overview	2
3. Programme Approach	2
4. National Execution	5
5. Capacity Building	6
6. System Coordination	6
7. Common Premises	7
8. Decentralization	8
9. Impact of the System	8
10. Projects	9
11. Personnel	9
12. Conclusions	10

SCPM REPORT TO THE GOVERNING COUNCIL

FIELD VISITS TO BOLIVIA AND PARAGUAY

1.- Introduction

Four representatives of the UNDP Governing Council Standing Committee on Programme Matters visited Bolivia from August 29th to September 5th 1992, and three of them went on to visit Paraguay from September 6th to 13th. The purpose was to review UNDP/UNFPA activities in each country. Lists of participants, documents reviewed, persons met, schedules and other relevant materials are available.

The visits were very well organized and conducted. They were complete, interesting and relevant. The main themes addressed were national execution, national capacity building, UN System coordination, common premises, programme approach and country programme. During the visits other very important issues were brought up by all concerned as described below.

Particular mention must be made of the most valuable services of the interpreters whose assistance was helpful and successful, allowing the non-Spanish speakers to participate fully.

Though different in style, both offices have a particularly special relationship with the Governments concerned and have a very high standing in the countries' societies. Recent economic conditions of both countries are described in the country programme. Their IPFs are also specified there.

In the case of Bolivia, the UN system as a whole enjoys immense prestige and influence in Bolivian society. This position was built over time on the basis of the UN's constant willingness to assist the country regardless of its political or economic situation. And this is a country which has gone through very hard times indeed. It is remarkable to note that all sectors of society and the political spectrum hold the UN system, under the coordination of the UNDP, in very high regard, thus allowing it to exert a positive influence when an impartial and objective opinion is required. Examples are given later

in the text.

In Bolivia, the UN office has been of particular assistance because of its knowledge of the country and of what is actually happening there. Its officials are trusted and the Government has requested them to advise authorities in many instances, particularly when negotiations were required, because they are perceived as professional, reliable and discrete.

A similar situation of trust and cooperation with the Government was found to exist in Paraguay, though its development followed a very different path. In February 1989, the end of a 35 year long dictatorship allowed that country to take stock of its lack of modern structures and systems in many areas of Government and to realize that its new insertion in the international community required overarching changes, including a new Constitution and enforcement of respect for human rights. The UNDP office, as coordinator for the system, was quick to react and began to provide the kind of assistance the Government was requiring. This allowed it to change from a relatively low profile organization to an expanding and ever more helpful and influential institution known for its impartiality, objectivity and willingness to assist where requested.

The Mission found that both offices shared other interesting characteristics.

In either case they are working in countries where recently reestablished democracies are struggling to consolidate while attempting to develop a market oriented economic system that can cope with the challenges ahead.

In Paraguay and Bolivia the UN system has been instrumental in helping the Government pursue innovative ideas when addressing problems with political content and which had been impossible to tackle in the past.

The two UNDP offices administrate resources far in excess of their country's IPF through cost sharing, because the Governments themselves so request it and through agreements with other donors.

It was also remarkable to note that the projects themselves are carried out in such a way that they follow a long-term impact path, using methods and approaches that may seem more time consuming but that achieve better and more permanent results. Examples are given when discussing projects.

2.- Overview

In both countries the Mission members met with and had in depth discussions with the Resident Representative/Coordinator, the UNFPA Country Director, UN Agency representatives and also visited project sites. Issues were discussed with programme officers and heads of projects. In Paraguay a meeting was held with the Staff Association and in Bolivia there was a meeting with bilateral donors.

The Mission visited top government officials including Ministers, Undersecretaries and advisors. It must be noted that no visit was strictly protocol since even the meeting with the President of Bolivia covered the country programme and the government's objectives.

While discussions in general covered the range of issues mentioned above, many other important concerns were brought up when attention was focussed on specific problems and on suggestions of what the Governing Council might do to help solve them.

3.- Programme Approach

In the case of Bolivia, the country was receiving about 120 million dollars a year in 1990 for technical cooperation, which were scattered among 700 projects with 39 sources of assistance. It is estimated that approximately 400 NGOs are active in Bolivia providing about 100 million dollars more. The work of NGOs in the country is still not adequately known.

In view of this situation, the Government, with the assistance of the UNDP, prepared a 5 year programme in which it identified 5 priority areas, the priority issues in each area, the counterparts it would work with and the methodology of implementation in each. This became the 5th country programme approved by the Governing Council and consecrated at the national level as the National Programme for Technical Cooperation which became law through a Supreme Decree.

The main goal of this effort was to achieve a manageable programme which would put order in the flow of technical cooperation, channel the assistance received towards common accepted goals and to begin to measure the true impact of these activities in the country.

All officials seem firmly committed to this programme

and have rejected any offer of assistance that does not fit in, on the understanding that acceptance would direct efforts and resources away from the identified objectives.

UNDP is now assisting the Government in the formulation of the 34 programmes identified. Seven are already in place. The process is obviously difficult and complex, but it is proving to be very positive for coordination within the Government as well as among UN Agencies.

It was interesting to note that the Government makes every effort to put all resources received from different donors for a specific area in one "bag" so as to increase the scope of the projects in each programme.

The Government has given the UNDP a very important role in carrying the programme forward and as a result the UNDP is actually administrating resources far in excess of the IPF.

In the case of Paraguay, the country's isolation during the long dictatorship made it less attractive for technical cooperation. Only Japan and Germany are important bilateral donors while the IDB and World Bank provide other assistance. In its country programme, Paraguay has identified its priority areas and is using it as a flexible tool to achieve specific objectives.

This country is receiving some 60 million dollars a year in technical cooperation. While the IPF is barely 1 million a year, through schemes such as cost sharing the UNDP is actually administrating over 17 million dollars.

The Government has also rejected assistance not fitting into its plans. It particularly dislikes "turnkey" projects.

It is very interesting to note that Paraguay has a very high rate of national execution.

Some 300 NGOs are active in the country but very little is known about who they are and what they do.

Both countries share the following:

- There is a clear understanding of what a programme approach is, what its benefits are and that it is the best way to work. In many ways this approach has been in effect for some time.

- Coordination among Government offices and international agencies is considered indispensable and the programme approach has contributed to this goal.

- There is a consensus that the UNDP has a minimal role to play as a funding agency, but is very important in terms of its prestige and image, its administrative capacity, its organizational skills, its experience in advising governments and as a coordinator for the system.

- Both countries give special attention to government reform, training of government officials and social issues. They also utilize effectively the the UNDP potential in providing technical assistance for the benefit of an effective and socially sustainable transit to market economies, i.e. in training Government officials, overhauling wholesale, retail and Government procurement systems, upgrading banking mechanisms, incorporating market incentives into indigenous economic activities (handicrafts, village level irrigation, etc.)

- Special efforts are being made to ensure sustainability of projects and long lasting impact which can expand over time.

4.- National Execution

In this area, Bolivia and Paraguay differ sharply.

Due to a history of poor administration and corruption, Bolivia is working to train a core civil service of well trained and well paid officials who will eventually transform this service into a reliable tool, able to take over the execution of, among other things, technical cooperation projects. National execution is also seen as requiring changes in legislation and in systems which the Government is undertaking with the assistance of UNDP. Meanwhile, Government Ministers prefer to have a higher degree of international execution, in coordination with Government officials, because UN participation is perceived in the country as a guarantee of honesty and efficiency. The project on government procurement is a successful example of this situation. Nevertheless, there is a high degree of national implementation through regional development corporations and local NGOs. In these cases, it is not always clear what practical contributions the executing agency is providing.

In Paraguay, on the other hand, national execution is the prevalent form of implementing projects. Naturally,

there are international experts working in fields where their expertise is required; but the Government has taken readily to the modality and results appear to be positive.

Both countries recognize national execution as the best route towards capacity building and technology transfer, but differing conditions require it to be pursued to different degrees over time.

There is a strong feeling that UNDP staff have lost confidence in the specialized agencies both as executing agencies and as centres of technical excellence. They are seen as sources of delay and as being bureaucratic and inefficient. The execution by agencies not represented in the country poses important problems due to a lack of knowledge and understanding of local idiosyncrasy, often reducing efficiency and using scarce resources for administrative purposes only.

5.- Capacity Building

This issue was introduced in every discussion and there was agreement by all that this is one of the most important elements of technical cooperation.

Government officials emphasized that the training of local experts is one of their goals. Programme and project officers felt that capacity building is taking place.

Perhaps the most common drawback mentioned was that the civil service is unable adequately to pay trained personnel who later on often seek better opportunities either in the private sector or abroad.

6.- System Coordination

Here too there are some differences between Paraguay and Bolivia due to different conditions prevailing in each country.

In Bolivia, many UN agencies have their own representation and consequently any coordination requires agreement among a larger number of individuals. Inevitably, there are occasional situations of insatisfaction which can be caused by differing perceptions or, sometimes, by more institutional differences among agencies. These institutional differences can range from administrative procedures and requirements to the fact that budget or programme cycles do not coincide.

In Paraguay, the resident coordinator also represents many agencies and the UNFPA and UNICEF representatives reside in other countries. Naturally, coordination is much easier. Nevertheless, there is a need for work among agencies and similar difficulties appear. The UNFPA representative travels often to Asunción and this helps greatly.

In both countries, all officers showed genuine appreciation for the advantages of adequate coordination and strong but flexible leadership has instilled a feeling of pride in the work of the system which helps overcome many difficulties.

It was also evident that problems in the field many times reflect a lack of coordination among agency headquarters and among governing bodies. Field personnel are faced with differing instructions, different interpretations of governing body decisions and policies and many times their possibilities for expanding and improving their work is thwarted by inflexible directives from headquarters or answers such as "the (governing body) does not allow it". Such situations cause funds and time to be lost or wasted and projects to be restricted in their scope. It has even meant that Governments wanting to put more of their own resources into a programme have to be rejected because of procedural considerations.

Nevertheless, coordination requires even greater effort. In both countries there is too great a reliance on personal goodwill and good relations. Whilst goodwill between individuals is important, there should be a more formal structure to permit continuity of coordination when personnel change. In this context, the idea of a single UN coordinator with greater authority and the necessary means should be considered in depth.

7.- Common Premises

Bolivia went through a difficult experience on this question. Representatives of all the organizations held meetings, studied possibilities, evaluated alternatives and finally found a building that met their requirements. In a city like La paz this was not an easy task. Once all those who were going to work there had agreed and were actually enthused with the solution found, one official at the headquarters of one of the agencies stated that the building was not adequate and the whole arrangement fell apart. The consequent insatisfaction and disappointment after so much effort makes any future attempt at finding

common premises unlikely.

In Paraguay, the effort is beginning. All local representatives are eager to find common premises with possibilities for expansion. An offer is being evaluated.

8.- Decentralization

Some of the problems mentioned above show the need for greater decentralization of decision making to the field level in many areas where it is more efficient to do so, particularly when considering that comprehensive methods for accountability already exist.

In both countries it was the mission's impression that greater decision making could be left to the offices of the resident representatives without loss of control while at the same time providing possibilities for improvement in the delivery of the system.

Decentralization of the administration requirements could also help improve the work in the field.

The Governing Council should consider calling for more decentralization, including greater delegation of financial authority to field level for both UNDP and UNFPA.

9.- Impact of the System

It was clear in both countries that the system coordinated by the UNDP is having a positive impact on the development process.

The concept of human development has been successfully incorporated to the work. The idea that development is for the people was evident in several of the projects visited, particularly the popular markets in Bolivia and the human development project in Paraguay which included land ownership for landless peasants.

It was also very encouraging to see the UNDP assisting the Governments in areas previously thought of as taboos. The agreements reached between Bolivia and Peru giving Bolivians access to a port on the Pacific and possibilities for land ownership in that area was the result of economic studies undertaken by UNDP. Considering the history of the area, success was even more remarkable. In the case of Paraguay, assistance in the field of human rights would have been unthinkable only a few years back. Yet the new Government has especially requested UNDP to help in order

to ensure that human rights are properly observed, particularly in the legal, judicial and penal systems, and the human rights atmosphere is greatly improved. In Bolivia also, the Jalq'a project is combining the recovery of a cultural heritage and the economic and social development of marginal groups of people in a way that gives them hope, pride and self respect.

These are just examples of the innovative role that the UN system, and the UNDP specifically, can play in developing societies by using traditional tools and applying them in creative ways to difficult political problems so that the approach to development becomes more comprehensive and effective.

10.- Projects

A description of the projects visited could not convey their complexity, their value nor their human impact. It should be mentioned however that the mission found each and every one particularly relevant to the area of concern. They were thoroughly planned, with clear objectives and well managed by dedicated people and it was evident that the populations involved were receiving benefits which went far beyond the immediate goals of the project.

11.- Personnel

The Mission found staff to be of very high standard and professionalism at all levels. The commitment and heart-felt support for a worthy cause were evident in all.

In the case of national officers at programme officer level, consideration should be given to better training. In particular, some out-of-country training, either at a regional location or by attachment to other offices, would help provide a better and more international perspective. Similarly, JPOs would benefit from greater training.

Such training should concentrate on providing the tools of the job rather than general overviews, thus reducing the on-the-job learning period. These activities would also provide greater incentives for officers.

Administration personnel were seen to be an integral part of the United Nations team in both countries with equal commitment and dedication. It was evident that this group should be given appropriate recognition for their contributions to the efforts of the system in each country.

In Paraguay the Association of local personnel UNDP/UNFPA requested a meeting with the Mission members during which interesting issues were raised such as the need for training. They also expressed their view that common premises would be beneficial for their work. They requested that efforts be made to provide them with more space as cramped offices and little storage space were a hindrance to effectiveness and efficiency.

An important request was made in that UN regulations should allow for the provision of adequate installations and opportunities for working mothers to breast feed and care for their infants while at work.

The information offices in both countries are also dependent on UNDP and, particularly in Paraguay, were seen to be very effective in keeping the work of the UN in the public eye through strong links with the local media. Indeed, the visiting Mission received a lot of coverage in both countries.

12.- Conclusions

The visits to Bolivia and Paraguay were excellent from every point of view. Some of the conclusions and recommendations have been expressed above when addressing the topics discussed.

Some further ideas include the following:

- The budget and staffing of UNDP field offices should reflect the true level of resources managed, not just the IPF.
- To preserve the morale of smaller offices, they should be treated even-handedly.
- Some decentralization measures have been successful, but there has not been enough decentralization of authority, especially financial. This causes delays and bottlenecks in project implementation.
- There is clear evidence that UNDP is regarded as a more sympathetic, flexible and effective agent by Governments, compared to the Bretton-Woods institutions. This despite the small amount of funds (IPFs) that UNDP provides.

In this connection it is necessary to recognize that funds provided from IPFs are marginal and that the bulk of the work is funded by other donors and agencies, and

therefore the work of UNDP should be approached in such a way that this is reflected.

- There is evidence that UNDP staff have lost confidence in the UN specialized agencies both as project executors and as centres of excellence. This may be accelerating the move away from agency execution originally outlined in General Assembly Resolution 44/211.

- The work of UNFPA in both countries shows a very responsive and pragmatic approach to social and political changes and needs. It also provides balance in the approach to problems such as mother/child care which is otherwise ignored. This capacity should be reinforced. UNFPA representatives should have their own level of delegation of authority, including financial, so as to allow them greater flexibility and effectiveness.

- Bolivia is the country in which the role of OPS has been most advanced. Evidence suggests that it has carried out very useful work in an effective manner. However, there is a clear need to regularise the role of OPS and to set proper parameters. At the moment, OPS has no clear mandate and is operating autonomously.

OPS must operate on a completely reimbursable basis. There should be no subsidies from the UNDP regular budget. In the case of Bolivia, nearly 50% of administration costs of the whole UNDP operation relate to OPS, but it, in turn, only covers some 10%.

- Bolivia is a good example of implementation of the policies set out in General Assembly Resolution 44/211 and it should serve as a prototype for the operational activities of the UN elsewhere. It may be useful to use Bolivia as a showcase by bringing in UNDP staff from elsewhere for training.

- Paraguay is an equally good example of how a small office can be effective when it is capable of identifying the needs of a country and responding promptly and adequately to them. All this while coping with wide-ranging political changes and the need not to appear as interfering in a very delicate process.

- UNDP, at specific Paraguayan Government request, has undertaken important work in the fields of human rights and the administration of justice. This should serve as an example of a new area of UNDP work which could be used by other governments.

- There is a need for UNDP in Paraguay to take a greater initiative in helping the Government improve coordination. At least one donor expressed the need for UNDP to act as a clearing-house for aid.

- There is a clear need for all agencies to have the same programming cycles and to adapt them to the Government cycles on a country by country basis.

- Using in particular the positive UNDP experience in Bolivia and Paraguay, the Governing Council might recommend that when the programmes of interested countries are prepared, they should include comprehensive measures aimed at facilitating market reforms and effective social safety nets.

Information on the UNDP activities in this field should be gathered, analyzed, systematized and made available to all interested member countries as well as to the UN organizations and bodies engaged in providing technical assistance to the economies in transition.

- Administration personnel should receive adequate recognition and be taken into account when policy decisions are made.

- The Governing Council should be made aware of problems in the field which headquarters and field officers feel are a result of decisions taken in those bodies. Particularly when a review of those decisions may improve the work of the system as a whole.