



*Empowered lives.
Resilient nations.*

ASSESSMENT OF DEVELOPMENT RESULTS **DJIBOUTI**

EVALUATION OF UNDP CONTRIBUTION



HUMAN DEVELOPMENT effectiveness COORDINATION
efficiency COORDINATION AND PARTNERSHIP sus
NATIONAL OWNERSHIP relevance MANAGING FO
sustainability MANAGING FOR RESULTS responsiveness
AN DEVELOPMENT responsiveness NATIONAL OWI
NATIONAL OWNERSHIP effectiveness COORDINATION
efficiency COORDINATION AND PARTNERSHIP sus
NATIONAL OWNERSHIP relevance MANAGING FO
sustainability MANAGING FOR RESULTS responsiveness
HUMAN DEVELOPMENT effectiveness COORDINATION



*Empowered lives.
Resilient nations.*

ASSESSMENT OF DEVELOPMENT RESULTS **DJIBOUTI** EVALUATION OF UNDP CONTRIBUTION

REPORTS PUBLISHED UNDER THE ADR SERIES

Afghanistan	Libya
Argentina	Malawi
Bangladesh	Maldives
Barbados and OECS	Moldova
Benin	Mongolia
Bhutan	Montenegro
Bosnia and Herzegovina	Mozambique
Botswana	Nepal
Brazil	Nicaragua
Bulgaria	Nigeria
Burkina Faso	Pacific Islands
Cambodia	Papua New Guinea
Chile	Peru
China	The Philippines
Colombia	Rwanda
Republic of the Congo	Senegal
Djibouti	Serbia
Ecuador	Seychelles
Egypt	Somalia
El Salvador	Sudan
Ethiopia	Syrian Arab Republic
Georgia	Tajikistan
Ghana	Thailand
Guatemala	Tunisia
Guyana	Turkey
Honduras	Uganda
India	Ukraine
Indonesia	Uzbekistan
Jamaica	Viet Nam
Jordan	Yemen
Lao PDR	Zambia

ASSESSMENT OF DEVELOPMENT RESULTS: DJIBOUTI

Copyright © UNDP 2012, all rights reserved.

Manufactured in the United States of America. Printed on recycled paper.

The analysis and recommendations of this report do not necessarily reflect the views of the United Nations Development Programme, its Executive Board or the United Nations Member States. This is an independent publication by UNDP Evaluation Office.

Copy editing: Sanjay Upadhyia

Graphic design: Laurie Douglas Graphic Design (lauriedouglas.com)

Cover photos provided by UNDP Djibouti and Americo Vermelho (far left).

ACKNOWLEDGEMENTS

This evaluation was conducted by the Evaluation Office of UNDP. The team was led by Howard Stewart, who also addressed UNDP work in the area of environment. The team members were Souraya Hassan as lead consultant, Mohamed Omar and Abdallah Fouad as advisers in the areas of governance and poverty, respectively, and Roberto La Rovere as the task manager. Anna Parini provided research support. The Evaluation Office would like to thank the entire evaluation team for their dedication and hard work throughout the exercise. The Evaluation Office is also grateful to Kouidhi Moncef, who provided comments as an external reviewer, and to Olivier Cossee who reviewed the report internally for EO.

Our thanks are extended to stakeholders and partners of UNDP-Djibouti, including the Government, civil society, international development community, the United Nations family and all of those with whom the ADR team consulted during the course of the evaluation.

The evaluation would not have been possible without the commitment demonstrated by Hodan Haji Mohamud, the UN Resident Coordinator

and UNDP Resident Representative, and Nicole Kouassi, UNDP Deputy Resident Representative. We very much appreciate the cooperation received from Hassan Ali, Programme Specialist, and Harbi Omar Chirdon, Programme Analyst, and the other staff of UNDP-Djibouti. We would also like to thank the UNDP Regional Bureau for the Arab States (RBAS), in particular Amat Alsoswa, Director, Sunil Saigal, Deputy Director, Juliette Hage, Chief, and Giuseppe Belsito, Programme Adviser, for their valuable support and contribution to the process.

The quality enhancement and administrative support provided by Evaluation Office colleagues is critical to the successful conduct of all evaluations. As part of the process, Michael Reynolds and Sukai Prom-Jackson, as well as Vijayalakshmi Vadivelu as associate task manager provided important internal reviews of the draft evaluation report. The management and administrative support of Christopher Nuñez, Charita Bondanza and Thuy Hang To is acknowledged. Marina Blinova and Anish Pradhan assisted in the editing and publication process with help of an external editor and translator.

FOREWORD

This is the report of an independent country-level evaluation conducted by the Evaluation Office of the United Nations Development Programme (UNDP) between February and October 2011. The evaluation, known as Assessment of Development Results (ADR), examines the performance and strategic relevance of UNDP and its contribution to development results in Djibouti from 2003 to 2011: this period included both the previous (2003–2007) and ongoing (2008–2012) UNDP country programmes.

Djibouti's modest size belies its strategic importance as a high-quality harbour astride the entrance to the busy Red Sea shipping lanes. The economy depends heavily on revenues from its port facilities and several foreign military contingents, with services contributing over three quarters of GDP. Since 2007 the country has embarked on a National Social Development Initiative (INDS) aimed at tackling entrenched poverty. This has provided a framework for national development and poverty reduction efforts with four strategic thrusts: 1) growth, competitiveness and employment; 2) access to basic social services; 3) reduction of poverty and vulnerabilities; and 4) public sector governance. The evaluation comes at a time when UNDP can further strengthen its contributions made during the period being examined, thus helping the country office and the Regional Bureau for Arab States to formulate the next country programme.

The evaluation found that most UNDP activities were carefully integrated within the United Nations Development Assistance Framework and the INDS and generally proved highly relevant. UNDP programmes that were aimed at poverty reduction, post-crisis recovery, improving environmental management, and helping national partners manage HIV/AIDS were generally more effective than those aimed at strengthening democratic governance. Djibouti's progress towards the Millennium Development

Goals (MDGs) has been most remarkable in health, education, and gender equity. UNDP support for detailed costing of the achievement of Djibouti's MDG targets is expected to bolster the country's capacity to mobilize the necessary resources for these targets. Also, over the evaluation period UNDP has consistently and increasingly promoted UN values through programmes that actively promote gender equality, human rights and environmental sustainability.

Djibouti's geopolitically strategic location results in a unique relationship with its major aid partners, with the UNDP country office providing an anchor for the UN team in Djibouti and promoting proactive approaches to critical issues such as gender, decentralization and support for the INDS. Yet Djibouti faces unique resource mobilization challenges. Resource mobilization has been modest but significant, particularly for 'downstream' activities: post-crisis recovery, decentralization, and environment. Yet UNDP has more comparative advantages in supporting upstream activities. While these reasons justify the ongoing UNDP presence in both up- and downstream activities, maintaining this presence in both contributes to the chronic overstretching of the country office's human and financial resources.

The ADR recommends that UNDP should reduce the thematic scope of its programmes, and focus more sharply on well-defined activities where it has demonstrated its comparative advantage, reduce presence where support has been catalytic in the past, carefully analyse areas subject to chronic problems, and be ready to change approach if needed.

The UNDP office can help the Government achieve synergies between effective aid coordination and monitoring and evaluation of national development efforts, and portray Djibouti as a peaceful role model, regional hub and strategic

entry point to a dynamic region in the Horn of Africa. To do so UNDP should enhance the country office's human resources and provide national partners with the required training and technical assistance.

The main findings and recommendations of the ADR were shared in November 2011 with partners to provide timely inputs for the new UNDP programme design. The ADR has provided recommendations to allow UNDP to build on the lessons learned from its programme in the past

years. I, therefore, hope that it will be useful for UNDP as well as its national and international partners in Djibouti, and that it will help UNDP continue to make significant contributions to achieving national development goals.



Juha I. Uitto
Deputy Director
Evaluation Office of UNDP

CONTENTS

Acronyms and Abbreviations	ix
Executive Summary	xi
Chapter 1. Introduction	1
Chapter 2. Development Context and Challenges	5
2.1 Overview of Djibouti	5
2.2 Achieving the Millennium Development Goals	13
2.3 The Challenges and Constraints of National Development	16
2.4 Development Assistance to Djibouti	18
Chapter 3. UNDP Responses and Strategies	21
3.1 Programme Cycles and Financial Profile	21
3.2 Country Office Organization, Initiatives and Issues	26
Chapter 4. Contribution of UNDP to Development Results	29
4.1 Direct Contributions to Poverty Reduction	29
4.2 Direct Contributions to Governance	39
4.3 The Indirect Contributions of UNDP	46
4.4 The Strategic Positioning of UNDP	47
Chapter 5. Conclusions and Recommendations	51
5.1 Conclusions	51
5.2 Recommendations	54
Annexes	
Annex 1. Documents Reviewed	57
Annex 2. People Consulted	63
Annex 3. Evaluation Matrix	65
Annex 4. Participants at Informal Feedback Meeting	69
Annex 5. Terms of Reference	71

Figures

Figure 1. Comparison of Human Development Indices – Djibouti and Neighbouring Countries, 2010	6
Figure 2. Development of Gross Enrolment Rates in Primary Schooling	8
Figure 3. Contribution to GDP by Sector	11
Figure 4. Real GDP Growth Rate	11
Figure 5. Investment Spending Per Source of External Funding	13
Figure 6. Major Donors in Djibouti, 2004-2008	19
Figure 7. Government of Djibouti Public Investment Programme Allocation, 2009	20

Tables

Table 1. Djibouti: Select Human Development Indicators – UNDP, 2011	14
Table 2. UNDP-Djibouti Programme Cycles, 2003-2007 and 2008-2012	23
Table 3. Distribution of Resources Per Area of Activity	25
Table 4. Changes in Contributions from UNDP's Main Financial Partners, 2005-2010	25
Table 5. Change from DEX to NEX between 2003-2007 and 2008-2012	25
Table 6. UNDP-Djibouti Annual Spending, 2008-2010	27
Table 7. Map of the Themes, Effects and Projects Considered, 2008-2012	30

Boxes

Box 1. UNDP Support For Statistics	31
Box 2. UNDP Support for the INDS Evaluation and Prospects	32
Box 3. Microfinance: An Instrument for Poverty Reduction	34
Box 4. Rebuilding Destroyed or Damaged Housing	37
Box 5. The Modernization of the National Assembly	40
Box 6. Legal and Judicial Reform and Human Rights	42
Box 7. Decentralization: A Priority That Is Struggling to Succeed	43

ACRONYMS AND ABBREVIATIONS

ADDS	National Agency for Social Development
ADR	Assessment of Development Results
AFD	French Development Agency
AfDB	African Development Bank
CCA	Common Country Assessment
CCMI	Infectious Disease Joint Committee
CO	Country Office
COMESA	Common Market of Eastern and Southern Africa
CPAP	Country Programme Action Plan
CPD	Country Programme Document
CSO	Civil Society Organization
DISED	Statistics and Demographic Studies Division
EC	European Commission
EO	Evaluation Office
ERC	Evaluation Resource Centre
EU	European Union
FAO	Food and Agriculture Organization
GEF	Global Environment Facility
FFEM	French Fund for the Global Environment
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
GDP	Gross Domestic Product
HDI	Human Development Index
HIPC	Heavily Indebted Poor Country
IFI	International Financial Institution
IGE	General State Inspectorate
ILO	International Labour Organization
INDS	National Initiative for Social Development
JUNTA	Joint UN Team on AIDS
LDC	Least Developed Countries
MAEP	African Peer Review Mechanism
MDG	Millennium Development Goal
MOA	Ministry of Agriculture
NEX	National Execution (National Implementation)
NGO	Non-Government Organization
PADCL	Project of Support to Local Community Development
PRSP	Poverty Reduction Strategy Paper
RBAS	Regional Bureau for Arab States
RC	Resident Coordinator

ROAR	Results Oriented Annual Report
RR	Resident Representative
SESN	State Secretariat for National Solidarity
SHA	Secretariat for Aid Harmonization
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
VAT	Value added tax
WHO	World Health Organization

EXECUTIVE SUMMARY

Assessments of Development Results (ADRs) are an independent evaluation of the United Nations Development Programme (UNDP)'s contribution to the development results in countries where the organization operates. This ADR was launched by the Evaluation Office (EO) of UNDP in 2011. UNDP's contribution to national development efforts was assessed against the following criteria: thematic relevance; effectiveness; efficiency; and sustainability. UNDP's strategic position was assessed against the following criteria: strategic relevance and responsiveness, making the most of UNDP's comparative strength, and promotion of UN values from a human development perspective.

This is the first ADR conducted in Djibouti, and it focuses on UNDP contributions to development results in the country during UNDP-Djibouti's two most recent programming cycles – 2003-2007 and 2008-2012. The objectives of this ADR are: (i) to identify progress made towards the anticipated development results of the past two UNDP programming cycles; (ii) to analyse how UNDP in Djibouti has been positioned to add value to the country's efforts to promote its development; (iii) to present conclusions and lessons learned with a view to the organization's future positioning in Djibouti. The findings and recommendations of the ADR will inform the new Djibouti Country Programme Document for the upcoming programming cycle of 2013-2017, for which UNDP-Djibouti has begun preparation.

The evaluation team used a multiple-method approach, including document reviews, group and individual interviews and project/field visits. More than 60 people were interviewed at various locations in Djibouti over a period starting in mid-September 2011 and ending in early October 2011.

THE COUNTRY CONTEXT

Djibouti is a small country with a population of less than one million people located between Somalia, Ethiopia, Eritrea and Yemen on the south-western shore of the Red Sea. The country's modest size belies its strategic importance as a high-quality harbour astride the entrance to the busy Red Sea shipping lanes. The Port of Djibouti handles most of the imports for neighbouring Ethiopia. A growing number of eastern, western and Middle Eastern countries are involved in security, investment and aid projects in the country. The economy of Djibouti depends heavily on revenues from its port facilities and several foreign military bases with services contributing over three quarters of GDP. Annual economic growth, largely driven by port activities and foreign direct investment, has averaged 4.6 percent since 2005, up from 3.1 percent in the preceding five years. Foreign aid, averaging about USD 60 million per year, finances more than 80 percent of the public investment programme. Aid coordination in Djibouti is not well developed compared with many other African countries, though efforts are under way to strengthen this function within the Government.

Apart from its location and harbour, Djibouti has few natural advantages. A harsh desert climate results in minimal agricultural capacity and high rates of food insecurity; the country also faces chronic water shortages. A high rate of population growth is accentuated by in-migration from surrounding countries. Despite promising economic growth in recent years, poverty levels remain stubbornly high and income distribution highly skewed. Promising rates of economic growth resulting especially from large capital investments in infrastructure coexist with high rates of unemployment. The country's human

development index was ranked 147th out of 169 countries in 2010. The most recent figures available (2002) suggest that close to 75 percent of the population is poor, of whom over 40 percent live in extreme poverty. Adult unemployment is over 50 percent. Since 2007 the country has embarked on a National Initiative for Social Development (INDS) aimed at tackling entrenched poverty. This policy has provided a framework for national development and poverty reduction efforts with four strategic thrusts: 1) growth, competitiveness and employment; 2) access to basic social services; 3) reduction of poverty and vulnerabilities; and 4) public sector governance.

Djibouti's progress towards the Millennium Development Goals (MDGs) has been most marked in health and education. Infant mortality rates have fallen from 121/1000 in 1990 to 84.1 in 2008. The literacy rate among 15-24 year olds increased from 63 percent to 87.9 percent between 2002 and 2008. The country has also made significant progress towards greater gender equity, though much remains to be done, with illiteracy among women aged 15-49 still close to 50 percent.

UNDP IN DJIBOUTI

UNDP has been a valued partner of the Government of Djibouti since the country's independence in 1979. UNDP programmes delivered during the period 2003-2011 have been well integrated within the country's national development strategies, particularly the INDS. Overall spending by the small UNDP-Djibouti office totalled slightly over USD 7 million in each of the two programme cycles considered. A total of 25 projects in the first cycle (2003-2007) and 31 projects in the current cycle (2008-2012) have focused UNDP support on a range of government programmes related to poverty reduction (including environmental sustainability and crisis recovery) and governance. Gender equity, environmental sustainability and HIV-AIDS have also been addressed as 'cross-cutting issues'.

MAJOR FINDINGS

UNDP'S DIRECT CONTRIBUTIONS TO DJIBOUTI'S DEVELOPMENT – PROJECTS AND PROGRAMMES

2003-2007

Most of UNDP programme activities during the 2003-2007 cycle were highly relevant. The effectiveness of these programmes was less consistent. Effectiveness was considerable among those activities aimed at poverty reduction, crisis recovery, improved environmental management and addressing HIV-AIDS. Activities with the objective of strengthening governance were less successful. While the pace at which some activities progressed did not match initial plans, this earlier cycle gave rise to some of the most striking accomplishments of the current one, in microfinance, the National Statistics Office, the INDS and rural environmental management. Current areas of chronic difficulty – in ensuring effective monitoring and evaluation of national programmes or in launching effective decentralized development, for example – also emerged in this earlier period.

The efficiency and sustainability of UNDP's support for Djibouti's development between 2003 and 2007 appear uneven. The limited sustainability of results of different initiatives in 2003-2007 was contributed to by a general absence of cross-cutting approaches; issues related to environmental sustainability and social sustainability (such as gender and HIV-AIDS) in particular were not consistently integrated across programmes.

2008-2012

UNDP interventions during the current cycle (2008-2012) are highly relevant to Djibouti's development priorities; carefully framed within a poverty reduction strategy that UNDP has supported since its inception. The effects of these interventions at this stage in the programme cycle appear likely to be greater within the poverty reduction programme than within the governance programme. The efficiency and effectiveness of UNDP's activities in general are subject not only to internal constraints facing the

country office, but also to a process of aid mobilization that at times has been breeding rivalries among their national partners.

As in the previous cycle, sustainability remains a major issue to be addressed. Factors affecting sustainability include limited staff capacity and resources.

UNDP'S INDIRECT CONTRIBUTION TO DJIBOUTI'S DEVELOPMENT – AID COORDINATION, RESOURCE MOBILIZATION

UNDP has been partially effective in aid coordination. Perceptions of UNDP results in this area, among other international partners, may be unduly critical because of unrealistic estimates of what is possible in the Djiboutian context and comparisons with other African countries with more elaborate, effective aid coordination structures. However, UNDP is improving its support to the Government for aid coordination.

Coordination within the UN Country Team is hampered by competition among team members, and could be stronger. Yet there is appreciation for the role of the current Resident Coordinator (RC), a high-profile and effective spokesperson for the UN in Djibouti and the region. The UNDP office provides an anchor for the UN team in Djibouti and promotes proactive approaches to critical issues including gender, decentralization and support for the INDS process.

Direct resource mobilization results over the period 2003-2011 have been modest but significant, exceeding the value of the programmes' core resources in each period. The most important resource mobilization has been for post-crisis recovery, decentralization and promoting environmental sustainability. Significant indirect resource mobilization came through UNDP's catalysing of support for the microcredit programme. More recent support for costing of the country's MDG targets is expected to strengthen future resource mobilization. Some government partners are disappointed in UNDP's resource mobilization results. As a middle income, least-developed country with a small population, Djibouti faces

unique challenges. Some government partners may have unrealistic expectations of what is possible, generated in part by UNDP-Djibouti's propensity to overstate its capacities for aid mobilization.

CONCLUSIONS

Conclusion 1. Direct contributions to Djibouti's development have been, and remain, highly relevant: Most of UNDP-Djibouti's programme activities during the period 2003-2011 were highly relevant, carefully situated within the UNDAF and within the evolving national poverty reduction strategy that UNDP has supported since its inception.

Conclusion 2. UNDP programmes in poverty reduction have been more effective in achieving the intended results than those in governance: Effectiveness was significantly greater among those activities aimed at poverty reduction, crisis recovery, environmental management and HIV/AIDS than among those aimed at strengthening governance.

Conclusion 3. The efficiency of UNDP's support for Djiboutian development has been uneven: The pace of progress in some activities of the Djibouti programme has not matched initial plans. Yet activities in the earlier programming period have given rise to some of the major accomplishments of the subsequent one – support for microfinancing, for the National Statistics Office, for the INDS and for rural environmental management. Chronic difficulties continue to reduce the efficiency of UNDP's activities such as support for monitoring and evaluation of national programmes and for decentralized development.

Conclusion 4. UNDP programmes have not fully addressed social and environmental sustainability that require cross-cutting approaches, use of integrated strategies, and enhanced capacity development: Most initiatives across the 2003-2007 programme were limited by the absence of cross-cutting approaches. Inherently cross-cutting issues like gender, environmental sustainability

and HIV/AIDS were often treated in isolation rather than being consistently integrated across programmes. The longer term sustainability of UNDP-supported judiciary reforms, on the other hand, appears more securely assured.

Conclusion 5. UNDP has been relatively more successful in its direct interventions, than in its indirect activities of aid coordination and resource mobilization: Within the UN Country Team there is a perception that coordination could be stronger. The UNDP office provides an anchor for the UN team in Djibouti while promoting proactive approaches to critical issues such as gender, decentralization and support for the INDS. The human and financial resources of UNDP are chronically overstretched. Strengthening of monitoring, evaluation and reporting capacities, within UNDP programmes and among government partners, could serve to improve capacities for aid coordination. Direct resource mobilization results have been more significant for downstream activities on post-war recovery, decentralization and environmental sustainability, than for upstream activities, which have also been significant, notably in catalysing support for the micro-credit programme. UNDP support for costing MDG targets is expected to bolster their capacity to mobilize resources for the targets.

Conclusion 6. UNDP-Djibouti has positioned itself well, though it often lacks sufficient resources to take advantage of its positioning: UNDP-Djibouti has consistently, and increasingly, supported UN values through programmes that actively promote equity, especially gender equity, human rights and environmental sustainability. On the other hand, its responsiveness has been constrained by the limitations of the country office's human and financial resources. UNDP-Djibouti has had far more success with resource mobilization for downstream activities. Yet it has considerable comparative advantage in supporting upstream, policy- and strategy-oriented activities. This has justified a presence in both activities even though it overstretches the country office's capacities.

RECOMMENDATIONS

FUTURE UNDP PROGRAMME

Recommendation 1. Implement a carefully selected mix of upstream and downstream activities. The programme should continue supporting both activities, in part because it has a comparative advantage in implementing upstream activities but demonstrated greater success in mobilizing resources for downstream activities. Upstream and downstream activities can and should complement each other. Being an effective upstream partner in areas such as promotion of women's rights, support for human rights or support for the national poverty reduction strategy requires familiarity with the downstream reality and vice versa.

Recommendation 2. Reduce the proliferation of thematic scope of UNDP programming in Djibouti. The country office will continue to face pressures to go into new areas of programming despite very limited human and financial resources. Entering new lines of business without the resources to do them effectively would risk diminishing UNDP's reputation in the country.

Recommendation 3. Maintain focus on well-defined areas of concentration. UNDP-Djibouti should focus on core activities where it has demonstrated its comparative advantage and established credible niches: gender equality, human rights and judiciary reform, environmental sustainability, climate change adaptation, support for the process of implementing a national poverty reduction strategy.

Recommendation 4. Reduce presence in areas where UNDP has been catalytic in the past and other players have now come on board. The country office can reduce its presence in areas such as microfinancing where more substantial sources of financing are now available.

Recommendation 5. Carefully analyse programming areas with chronic problems before making any further commitments. The most

obvious example is UNDP support for the national decentralization policy. While the Project of Support to Local Community Development and related activities may eventually turn around, if they remain mired in difficulties, then UNDP should reassess its strategy for supporting local development in Djibouti.

AID COORDINATION AND RESOURCE MOBILIZATION

Recommendation 6. Help the Government achieve potential synergies between effective aid coordination and effective monitoring and evaluation (M&E). Aid coordination and M&E need strong government leadership if they are to succeed. Aid coordination (and resource mobilization) can be strengthened by effective, transparent M&E, and vice versa. This is an important challenge for the Government of Djibouti. UNDP support to government efforts could make a critical contribution to achieving the potential synergies.

Recommendation 7. Support aid coordination while contributing to promoting more collaboration among government partners. It will be important to ensure that the design of any future UNDP support for aid coordination involves careful consultation with all relevant government partners to ensure that it will contribute to diminishing residual competition among government partners, helping them to define compatible and complementary roles within the national system of aid coordination.

Recommendation 8. Support resource mobilization efforts by highlighting Djibouti as a peaceful role model, regional hub and strategic entry point to a dynamic region. UNDP should vigorously support Djibouti's efforts to build on its unique strategic niche in the Horn of Africa, helping enhance regional stability and infrastructure.

ORGANIZATION AND MANAGEMENT OF UNDP-DJIBOUTI

Recommendation 9. Continue to enhance the country office's human resources. The country office's human resources are seriously overstretched. There is scope for enhancing human resources through an ongoing vigorous 'management for change process', with Junior Professional Officers (JPOs) or other interns and more UN Volunteers. Promising sources of support may include emerging bilateral partners with a growing presence in Djibouti and neighbouring Arab countries with a strong interest in Djibouti who sometimes sponsor JPOs.

Recommendation 10. Put in place modalities for a transition from DEX to NEX that would reduce misperception of inflexibility. In maintaining the DEX modality despite implementation challenges with government partners, UNDP-Djibouti has left itself open to complaints of inflexibility. The solution may be to provide training and technical assistance to national partners until they can function within the full national execution modality.

Chapter 1

INTRODUCTION

This Assessment of Development Results (ADR) in Djibouti is the result of an independent country-level evaluation conducted by the Evaluation Office of the United Nations Development Programme (UNDP) in 2011. The ADR assesses UNDP's overall performance and contribution to development in Djibouti during UNDP-Djibouti's two most recent programming cycles – 2003-2007 and 2008-2012. It develops recommendations for future UNDP programme strategies in Djibouti, particularly for the upcoming programming cycle of 2013-2017, for which UNDP-Djibouti has now begun preparation.¹

SCOPE OF EVALUATION

This ADR has examined UNDP-Djibouti's strategy and performance under the current Country Programme 2008-2012 and Country Programme Action Plan, and the previous Country Programme, 2003-2007. The ADR team focused most of its attention on the current programme, scheduled to end in 2012. Nonetheless its review of the earlier programme proved to be a valuable complementary exercise, shedding useful light on a number of ongoing issues important to the current programme.

UNDP's strategy and performance in Djibouti were evaluated from two perspectives.

First, analysis was made on UNDP performance in its programme activities in the areas of *poverty reduction especially for the most disadvantaged communities, and in participatory and transparent governance*, with cross-cutting focus on gender and environmental aspects. Performance was assessed based on the following criteria:

- Relevance of UNDP's projects and programmes to existing development needs;
- Effectiveness of UNDP interventions in terms of achieving stated goals;
- Efficiency of UNDP's interventions in terms of the balance between results achieved and the use of human and financial resources; and
- Sustainability of the results.

Second, the ADR assessed the *strategic positioning of UNDP in Djibouti* focusing on how and how well UNDP positioned itself within the development and policy space of the country, and what strategies it followed in assisting Djibouti's development efforts. UNDP's positioning and strategies were analysed both from the perspective of the organization's mandate and the country development priorities. This entailed systematic analyses of UNDP's niche within the development and policy environment, in the areas of poverty reduction and governance, with cross-cutting focus on gender and environmental strategies used by UNDP to maximize its contribution by adopting relevant strategies and approaches. This part of the assessment considered the following criteria:

- Strategic relevance and responsiveness of the country programme as a whole;
- Use of networks and enhancing comparative strengths; and
- Promotion of UN values from a human development perspective.

For each component, the ADR presents its findings and assessment according to the set of criteria provided above. Further elaboration of

¹ The ADR Terms of Reference are provided in Annex 5, while the key evaluation questions are in the Evaluation Matrix.

the criteria can be found in the *ADR Manual 2010*. Although a judgement was made using the criteria above and addressing specific questions raised in the Evaluation Matrix (Annex 3), the process also assessed *how various factors influenced UNDP's performance*.

EVALUATION PROCESS AND APPROACH

The ADR in Djibouti was conducted by an independent evaluation team composed of a task manager and evaluation specialist from the Evaluation Office of UNDP in New York, an international evaluation consultant as the ADR team leader, and a lead national evaluation consultant. This team was supported initially by a research assistant at UNDP's Evaluation Office, and subsequently by two national experts in governance and poverty reduction, respectively, who supported the team as resource people in Djibouti. A scoping mission by the Evaluation Office in June 2011 allowed establishing the evaluation framework and methods.² The ADR was conducted in accordance with the ADR Guidelines and the ADR Manual of the Evaluation Office of UNDP, as well as in accordance with standard evaluation practices.

The ADR employed a variety of data collection methods including:

- preliminary in-depth desk reviews of UNDP documentation on a sample of 14 projects (out of 56 UNDP projects between 2003 and 2011)³. The evaluation made use of credible secondary sources wherever possible, particularly all available project and outcome evaluations;
- individual interviews:
 - At the strategic level: UNDP, selected United Nations organizations, government institutions (particularly at central

level), bilateral and multilateral donors, civil society and sectoral specialists conversant with Djibouti's context and development challenges.

- At the thematic level: for sampled projects with funding agencies, executing agencies and project users. The objective was to follow up on the desk review, collect further data and elicit perceptions from stakeholders engaged at different stages in UNDP interventions. Most sampled projects were part of 'clusters' that included other, smaller projects which were identified and examined along with the larger projects during interviews.
- At the programmatic level: Primary data collected mainly through interviews. Many of the stakeholders to be interviewed were also those involved at the project level.
 - focus group meetings with core stakeholders⁴;
 - case studies of the sample of projects across the country programme themes.

Projects (Table 2) were sampled for more in depth analysis by differentiating them between ongoing or completed during the ADR period of observation (2003-2011) and starting or in the pipeline. The former were analysed in terms of results, the latter in terms of whether they meet UNDP's strategy and to advise how outcomes and impacts were achieved and could be strengthened. The coverage of all thematic areas of the ADR was identified after consultation with the country office so to be within the strategic priorities.

The selection of projects was based on the following criteria:

- i. Coverage of outcomes regarding UNDP programming documents;

² The matrix of evaluation questions finalized in the evaluation inception report is provided in Annex 3.

³ Documents reviewed by the ADR team are listed in Annex 1.

⁴ The people interviewed for the evaluation are listed in Annex 2.

- ii. Balance between projects on upstream support to policy dialogue and at community level;
- iii. Degree of representativeness of the main stakeholders of UNDP;
- iv. Resources invested (small, medium, large size of the project);
- v. Direct execution (DEX) and national execution (NEX) projects.

Since the data collected are largely qualitative, subjectivity and bias, on the part of both respondents and interviewers, cannot be entirely eliminated. These were reduced through collection of information from a variety of sources and using triangulation to make the results as objective as possible within this context.

Preliminary consultations were also held at UNDP's New York headquarters at an early stage of the evaluation before the data collection with key staff at the Regional Bureau for the Arab States. For the sample of projects included, on-site observations and interviews were also conducted to solicit the views of a wide range of partners and beneficiaries; these, however, given the small size of the country, were mostly assessed in Djibouti City and its close neighbourhoods. Only one major field trip (at the Day Forest in northern Djibouti) was needed to meet with project staff and beneficiaries. Beneficiaries of other main UNDP project sites outside Djibouti City – Dikhil and Obock – were interviewed in Djibouti City.

EVALUABILITY AND SHORTCOMINGS

The principal *limitations* of this evaluation stem from the paucity of rigorous monitoring and evaluation information generated during the two UNDP programming periods examined. As a result of this, there was a substantial effort to collect primary data on most thematic areas

of work of UNDP. This is a long-standing issue both for UNDP-Djibouti and their Government of Djibouti partners and one that both parties are committed to addressing in the upcoming programming cycle, particularly within the context of UNDP's prospective future support for Djibouti's National Initiative for Social Development (INDS). Another factor affecting the *evaluability* was the fact that the current programming period was only roughly 75 percent complete at the time of the assessment. In this context it was agreed that the ADR's assessment of outcome achievements and direct contributions to development results should assess the apparent likelihood of such outcomes and results by the end of 2012. The relative dearth of programme and project evaluations for the current (2008-2012) programming period was also a limiting factor. One mid-term review, however, provided substantial information useful for the evaluation. A feedback workshop, hosted by UNDP-Djibouti on 4 October⁵, allowed the ADR team to validate preliminary evaluation findings with a reference group of evaluation stakeholders and partners.

THE EVALUATION REPORT

The final ADR report has been prepared and validated through exchange of drafts with the country office, and a reference group comprised of representatives of the Government, civil society organizations and UN agencies and other international organizations active in Djibouti (see more in Annex 4 and Annex 5). The report consists of: an overview of the development context and challenges in Djibouti (Chapter 2); a summary of the UN's responses to this situation – including within the context of the United Nations Development Assistance Frameworks (UNDAF) for the periods 2003-2007 and 2008-2012 – (Chapter 3); a summary of the main findings (Chapter 4) and the main conclusions and recommendations (Chapter 5).

⁵ Participants in the informal reference group meeting held on 4 October 2011 are listed in Annex 4.

Chapter 2

DEVELOPMENT CONTEXT AND CHALLENGES

2.1 OVERVIEW OF DJIBOUTI

GEOGRAPHY AND POLITICS

The Republic of Djibouti is located in the Horn of Africa at the southern entrance to the Red Sea. Djibouti shares a land border with Somalia to the south and east, Ethiopia to the south and west, and Eritrea to the north. The Red Sea runs along the eastern side of the country. Djibouti has 372 km of coastline and a maritime space of around 7,200 km². It has a hot and dry climate with temperatures varying from an average of 30°C in January to 43°C in July. Rainfall is sparse but falls very heavily in isolated outbreaks, causing flooding and pooling of water for long periods around housing, particularly in Djibouti City. For most of the country, rainfall does not exceed 160 mm per year. The landscape is generally rocky and rough.

There has been little development of agriculture in Djibouti because of the climatic conditions that are far from ideal for large-scale agricultural production, particularly the arid nature of the country. Indeed, agriculture only contributes around 3 percent to GDP (Economist Intelligence Unit, 2008). It consists mainly of subsistence agriculture that covers less than 10 percent of the country's requirements. Agricultural yields are low due to poor soil, scarce water and high levels of salinity. Agricultural production in Djibouti remains very weak and remained at less than 7,000 tons per year for the 2002-2008 period (Djibouti Central Bank, 2009). Consequently, Djibouti remains heavily dependent on imports for its food supply and households are very dependent on markets to cover their food needs. This dependence puts Djibouti in a difficult position in the face of international price rises.

DEMOGRAPHY

According to the results of the General Population and Habitat Census in 2009, the total resident population of Djibouti stands at 818,159 inhabitants, of which 70.6 percent live in an urban environment and 58.1 percent in Djibouti City, the country's capital. There are an average of 6.2 people in each household. Women represent 53.8 percent of the total resident population. Zero to 4 year olds represent 11.4 percent of the population, 5 to 14 year olds 23.8 percent, 15 to 59 year olds 60.7 percent and the over-60s 4.1 percent. The annual rate of population increase is very high at 6 percent, of which 3 percent is due to migratory flows and 3 percent to a natural increase, placing Djibouti among the countries with the highest demographic growth rates. The country has three ethnic Muslim groups, the two main groups being the Afars and the nomadic Somalis, and a large Arab community.

The country is faced with a constant influx of populations from the neighbouring countries as Djibouti acts as a transit point for migration towards the Middle East and other Gulf countries. This situation accentuates the pressure on basic social services that are concentrated mainly in Djibouti City.

HUMAN DEVELOPMENT/POVERTY

The Republic of Djibouti is characterized by social indicators that are lower than those usually seen in middle-income developing countries. In terms of human development, Djibouti ranked 147th out of 169 countries in 2010, and the country is one of those with the weakest social indicators; this classification illustrates the worrying social situation in the country (see Figure 1).

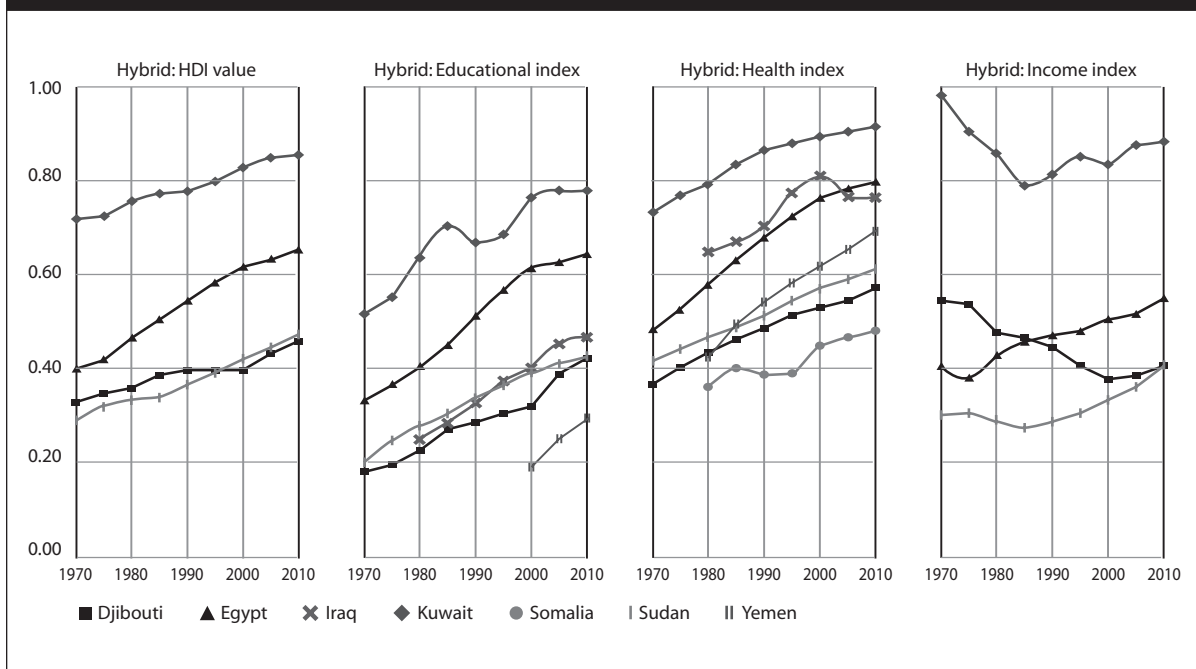
Although significant investment has been made in the social sectors since 2005, when the country started to experience sustained economic growth, poverty remains endemic (MICS II 2006 survey) and the country's wealth is very unevenly distributed. This situation finds its origins in a series of political crises, regional wars and a national armed conflict in the early 1990s, to which can be added economic shocks caused particularly by drought.

Despite the progress that has been made, the population only has limited access to *basic social services*. Health indicators are relatively low. Health care remains sparse, with two doctors for 10,000 inhabitants. Life expectancy is limited and stood at 56 years in 2010. The maternal mortality rate is high with 300 cases in 2009 for 100,000 births. The mortality rate of under-fives stood at 93 for 100,000 in 2006. Only 40 percent of households are connected to the clean water supply and 25 percent to the collective sanitation network (BAD, 2011). This rate of cover represents only 60.8 percent of human consumption, agriculture and livestock production. This deficit in water volume is accompanied by a deficit in quality, with a level of salinity that is

significantly higher than the standards set by the World Health Organization. This quality deficit has an impact on the health of the population and slows the development of agriculture and livestock production.

Djibouti is facing a number of challenges, the most important being *food security*, which is a structural issue for the country. According to the African Development Bank (AfDB) "*Some 31% of the population suffers from under-nourishment. The proportion of malnourished children is 33%, which is one of the highest rates in the world. The poorest households spend nearly 80% of their consumption expenditure on food.*" (AfDB, 2011) However, the most recent UNICEF survey, dating from 2010, showed that the overall level of acute malnutrition is much lower than that seen in 2007. Overall acute malnutrition is estimated at 10 percent across the whole country against 17 percent in 2007. These rates are lower in urban areas (8.5 percent) than in rural areas (11.4 percent). The highest rate can be found in Dikhil (12.9 percent) and the lowest in Obok (9.4 percent). In the country as a whole, the mortality rate of under-fives is below the alert threshold (1 death for 100,000 children).

Figure 1. Comparison of Human Development Indices – Djibouti and Neighbouring Countries, 2010



The 2002 data shows that poverty affected 74.4 percent of the population, 42.2 percent of whom were in extreme poverty. A survey conducted in 2006 confirmed the massive and structural character of the poverty shown in 2002. This situation continues today. Selective and specific assessments have demonstrated the still-endemic nature of poverty in the country, caused by the rise in food prices, the presence of mass unemployment and periods of acute drought. Poverty is generalized and affects all geographical areas and social categories. In terms of concentration, Djibouti City is home to the largest number of poor people, with a contribution of 65.2 percent and 57.4 percent for relative and extreme poverty, respectively. The unemployment rate of people over 15 is estimated at 54.6 percent.

The main socio-economic objectives of the 2007 National Initiative for Social Development (INDS – *Initiative Nationale pour le Développement Social*) gave Djibouti a framework for improving the well-being of the population and reducing poverty. Within this framework, the 2007 creation of the National Agency for Employment and Professional Training (ANEFIP – *l'Agence Nationale de l'Emploi et de la Formation Professionnelle*) and the launch in January 2008 of the Djiboutian Agency for Social Development (ADDS – *Agence Djiboutienne de développement social*) demonstrate the Government's effort to combat unemployment and poverty.

Funding for the INDS, which was created to reduce poverty, is in addition to guaranteed resources of 1 billion Djiboutian francs⁶ from the State budget (for 2008). The INDS defines the priority themes of the ADDS. The first initiative is to promote access to basic social services. The next step seeks to restructure the national system of production in order to create enough jobs to eradicate poverty and reduce unemployment, particularly of young people, taking into account the informal sector in the national debate around

employment. The authorities intend to provide assistance to the most vulnerable people and those with specific needs, to allow them to meet their daily needs and put an end to their isolation by allowing them to integrate into society and lead a dignified life.

In terms of the Millennium Development Goals (MDGs), the greatest progress has been made in the health and education sectors. The infant mortality rate has dropped from 121 for 1,000 in 1990 to 84.1 for 1,000 in 2008. The literacy rate for 15-24 year olds rose from 63 percent in 2002 to 87.9 percent in 2008, but efforts are still needed to achieve the target of 95 percent in 2015. In terms of HIV/AIDS, the infection rate has stabilized around 3.1 percent.

The population at risk of food insecurity was estimated at 45 percent of the total population in May 2008.⁷ The problem was so serious that: (i) the Government had to subsidize the price of basic foodstuffs, and, (ii) development partners and NGOs multiplied emergency food aid throughout the country. In addition, the country is home to a refugee population estimated in January 2011 at 16,520 people, according to UNHCR, most of whom come from Somalia.

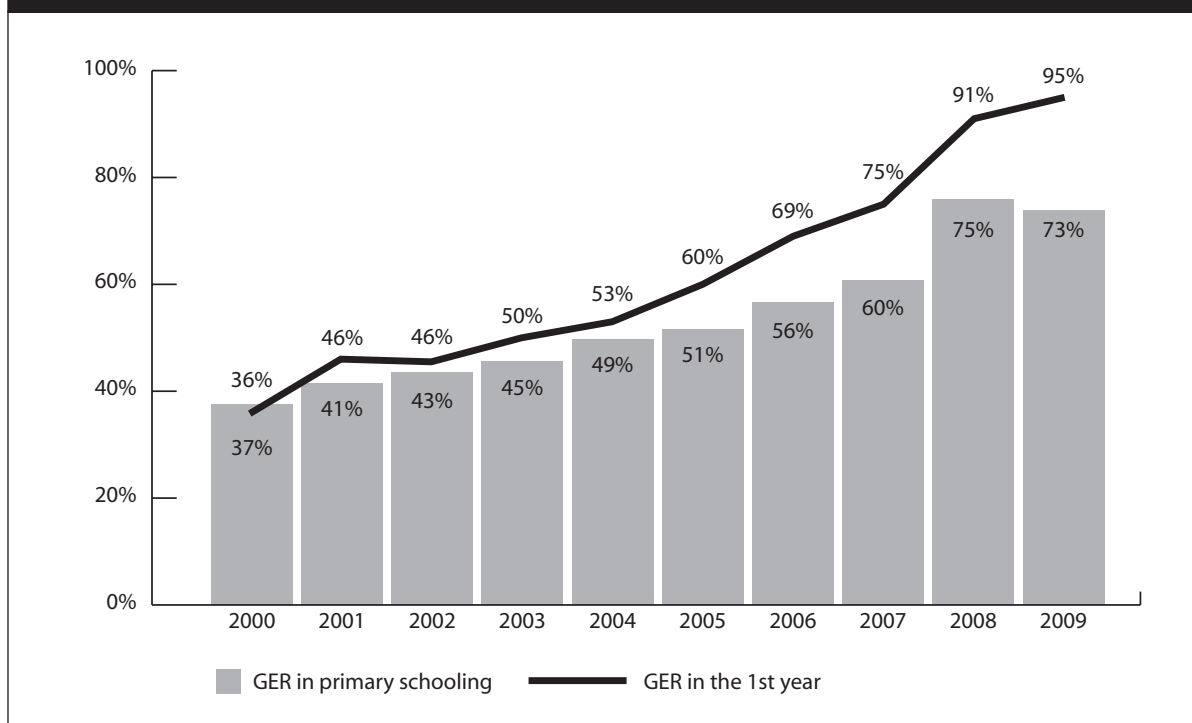
EDUCATION

The education system has undergone a series of transformations since the summit of 2000. The enrolment rate has increased substantially (see Figure 2). The apparent intake rate in the first year of primary school rose from 69.0 percent in 2006 to 83.4 percent in 2009 while, for the same period, the gross enrolment rate in primary school rose from 54.8 percent to 74.3 percent. With a gross enrolment rate estimated at 52.3 percent in 2002 (Djiboutian social indicators survey of households) and an annual progression forecast at 13 percent, the Republic of Djibouti should manage to provide primary education for

⁶ USD 5.65 million; 177.0 Djiboutian Francs = USD 1.00.

⁷ FEWS NET Report – May 2008.

Figure 2. Development of Gross Enrolment Rates in Primary Schooling



Source: Based on data from MENESUP-CBMT 2009-2012

all before 2015, even if additional efforts will be required to effectively reconcile the objectives and the quality of the results to be achieved.

GENDER

In Djibouti, efforts in terms of male-female parity are tangible. Institutional and legislative reforms made in this area demonstrate the determination of the Republic of Djibouti to strengthen the rule of law. The comprehensive national strategy for the integration of women, which was included in law n°173/AN/02/4ème defining a national policy in terms of including women in development, has enabled a certain amount of progress to be made in terms of the main types of discrimination to which women were victims, and particularly in terms of their emancipation. With the establishment of quota of at least 10 percent of all representatives (in terms of recruitment, nomination, election, etc.), the number of women in the political sphere has rapidly exceeded this threshold.

Following the legislative elections in 2008, the number of elected female members of parliament rose from 7 to 9, or 14 percent, increasing their presence in the chambers. The latest government composition, following the elections on 8 April 2011, saw women take three complete ministries, which represents one additional position compared with the composition of 2008. The local elections had already set the trend by electing 14 female town councillors in Djibouti and seven regional councillors.

There are also many women in the civil service where it has become habitual to meet female directors of administrations and women officers in the Djibouti Armed Forces or in the senior management of the National Police Force. The judiciary is a prime example, as women occupy all the institutional presidencies including the Court of First Instance, the Appeal Court and the Supreme Court. They are similarly represented in the private sector. However,

despite these positive initiatives, more effort will be needed to further promote the role of women in Djiboutian society.

Female empowerment remains limited, with a literacy rate of 47 percent in 2010 for women aged from 15 to 49. Despite the development of microfinance, only 12 percent of women were employed in 2010 (AfDB, 2011).

GOVERNANCE

The Strategy Document for Poverty Reduction (PRSP) adopted in June 2004 and the document that replaced it, the INDS launched by the President of the Republic in January 2007, form the reference matrix for the definition and implementation of the national good governance strategy.

The main axes of the governance strategy for implementation of the INDS are based around: (i) the consolidation of democratic governance; (ii) economic and financial governance; (iii) administrative governance; (iv) legal and judicial governance; and (v) local governance and participative development.

In certain areas, the implementation of priority governance actions has allowed great progress to be made, particularly in judicial and local governance. In 2006, regional councils were created and their local management capacities strengthened with the support of development partners. Despite the initiatives taken by the Government to promote decentralization and put in place local communities and their elected bodies, territorial entities remain of limited viability as there is still an imbalance between the decentralized structures and the economic development objectives. The local challenges are huge and the population has very high expectations, while the local authorities do not have adequate means to meet these demands effectively. These inadequacies are of

institutional origin and mainly stem from the absence of a suitable framework for local taxes.

In terms of legal and judicial governance, the state of law has been strengthened and the improvement in legal and judicial security at the service of the people has played a large part in the law gaining recognition as a key to the economic development of the country. But these essential reforms can only take place if there is capacity building of judicial personnel such as magistrates, clerks, legal auxiliaries including judicial police officers, bailiffs, etc., and training for all those involved.

The National Assembly as the legislative body that supervises the executive branch has been strengthened, with the support of UNDP, among others. With the aim of ensuring transparency and sharing the most important debates for the nation with its citizens, the National Assembly has innovated by offering transparent and unrestricted coverage of the debates, which are broadcast live on television during peak viewing times. A website has been created that brings together the essential roles of the legislative branch.

In addition, the Government of the Republic of Djibouti has started out on a process of standardizing the legal environment relating to economic governance. This has led to the country proceeding to ratify a number of international conventions, including the United Nations Convention against Corruption⁸ which completes the measure in the Penal Code, ratified on 20 April 2005; the convention creating the Multilateral Investment Guarantee Agency; the convention for joining the African Trade Insurance Agency, the Agreement that created the Islamic Corporation for the Insurance of Investment and Export Credit, the Agreement for the encouragement and protection of Investment between the Republic of Djibouti and the Organization of the Petroleum Exporting Countries (OPEC), the Agreement relating to

⁸ Djibouti ratified the United Nations Convention against Corruption on 20 April 2005.

the encouragement and reciprocal protection of investments between the Republic of Djibouti and the Arab Republic of Egypt⁹, etc.

The adhesion of Djibouti to the Peer Evaluation Mechanism (MAEP – *Mécanisme Africain d'Évaluation par les Pairs*) reflects a commitment by the leaders of the country to promote transparency and accountability.¹⁰

ENVIRONMENTAL CONTEXT

According to the disaster risk profile developed by the World Bank, Djibouti is vulnerable to the following natural disasters: (i) extended multi-year periods of drought that result in the scarcity of water for agriculture and domestic use; (ii) frequent flash and intense flooding; (iii) frequent earthquakes originating from the volcanic area along the Assal Rift; and (iv) wildfires fuelled by drought and exacerbated by unstable building materials.

This environmental context accentuates the vulnerability of the population of whom 33 percent live in areas considered to be high risk (AfDB, 2011).

HUMAN RIGHTS

Djibouti seems to have made considerable efforts in this area in recent years. These efforts, which correspond to a clear political will, include a reform of the legal system, the creation of a body of prison administrators, the creation of a National Human Rights Commission and the

production of reports relating to the Universal Periodic Review that are submitted to supervisory bodies. To date, a number of documents have been submitted, the last to have been examined being the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) in July 2011.

In addition, the structure of civil society does not allow it to fully take its place as a stakeholder on the national political scene, despite a favourable legal situation and high demand for its input. Indeed, civil society organizations (CSOs) are confronted with a number of obstacles that hinder them in their projects and in the conduct of their activities. A number of difficulties relating to their lack of experience in the field and their poor knowledge of managing associations ultimately work against them. This situation affects the results of their actions which are dependent on their ability to manage projects and maximize the benefits for the populations in question.

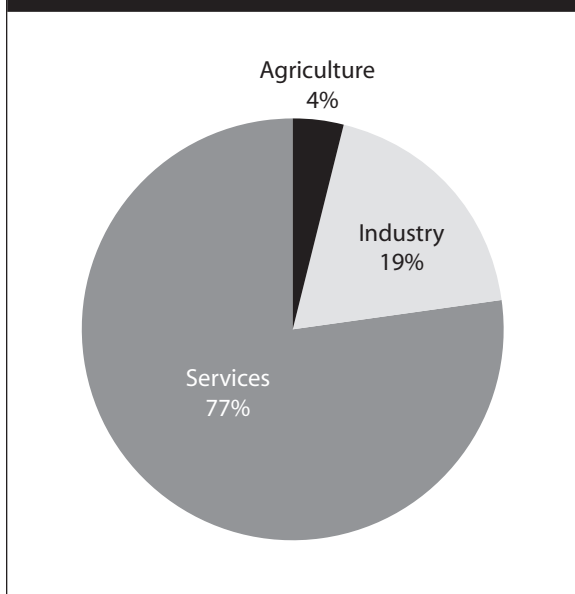
ECONOMIC CONTEXT

The economy of Djibouti is based on services and centred on the port, public services and the French, Japanese and American military bases. Services represent 77 percent of GDP, followed by industry (19 percent) and agriculture (4 percent) (Figure 3). The tertiary sector is dominated by port activities and related commercial, handling, transport and logistics services. A large number of the Djiboutians earn a living from the informal sector.

⁹ Conventions ratified by Djibouti: Law n°96/AN/05/5ème L setting out ratification of the United Nations Convention against Corruption; Law n°148/AN/06/5ème L setting out ratification of the Convention creating the Multilateral Investment Guarantee Agency (MIGA); Law n°70/AN/04/5ème L setting out ratification of membership of the African Trade Insurance Agency; Law n° 71/AN/04/5ème L setting out ratification of the Agreement creating the Islamic Corporation for the Insurance of Investment and Export Credit; Law n°72/AN/04/5ème L setting out ratification of an Agreement for the encouragement and protection of Investment between the Republic of Djibouti and the Organization of the Petroleum Exporting Countries (OPEC); Law n°57/AN/99/4ème L setting out ratification of the Agreement relating to the encouragement and reciprocal protection of investments between the Republic of Djibouti and the Arab Republic of Egypt.

¹⁰ The MAEP is a political process that commits the country to evaluating itself and being evaluated for its mode of governance according to uniform procedures that have been agreed and accepted by African countries. It increases the accountability of the political authorities of a given country with respect to other African leaders, the international community and also their own citizens.

Figure 3. Contribution to GDP by Sector (in percentage of GDP)



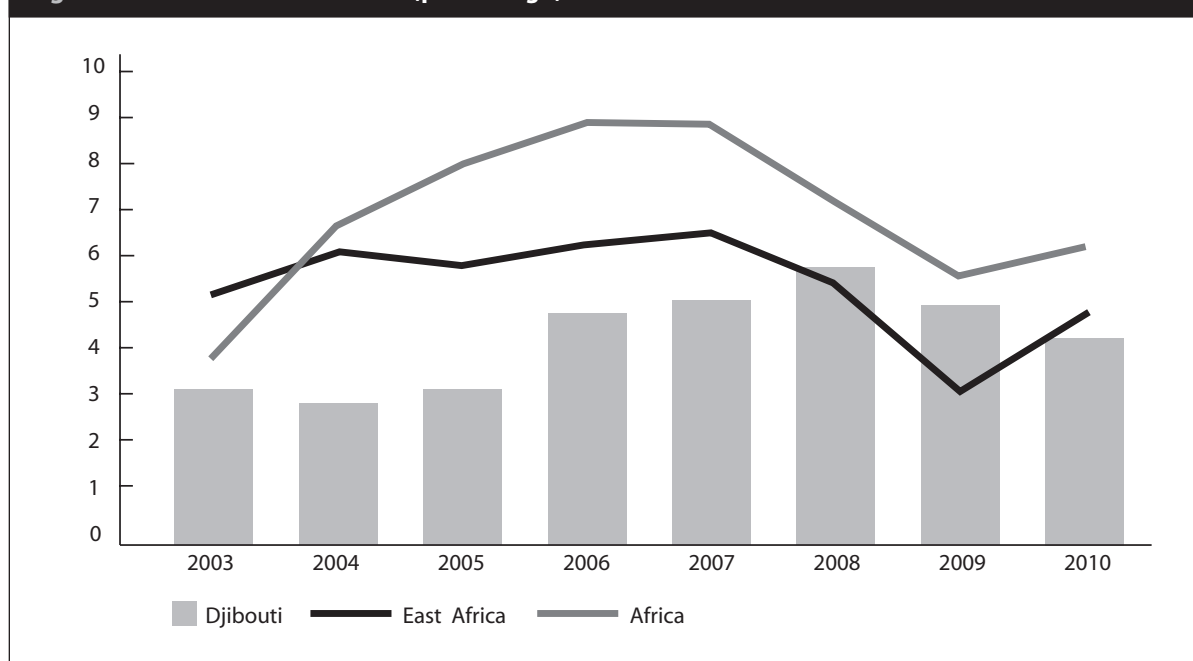
Source: AfDB 2010

Over the last five years, Djibouti has made significant economic progress. The economic growth rate has considerably accelerated despite the international financial crisis, reaching an average of 4.6 percent over the 2005-2010 period against

just 3.1 percent for the 2001-2005 period (Figure 4). According to the World Bank, *“this new level of growth particularly results from an appropriate economic strategy, combining prudent macroeconomic and budget management, a proactive policy for attracting foreign investments and an improvement in the business environment”* (World Bank PER 2010).

This growth has been strongly led by port activities and flows of Foreign Direct Investment (FDI) arriving in the country, particularly from Dubai. According to the IMF, economic growth should accelerate in 2011 and 2012 thanks to a resumption of investments that had been held over from 2009 and 2010 and an increase in port activities, particularly transshipment and the extension of the Port of Doraleh (June 2010). Inflation remains closely tied to the rise in food and oil prices, which are the country’s main imports. Despite the acceleration of inflation in 2010 it is under control, with an annualized increase in prices of 3.9 percent, boosted by the increase in food prices. The Government intends to maintain its policy in place since 2008 of subsidizing food and petrol prices to attenuate the

Figure 4. Real GDP Growth Rate (percentage)



Source: AfDB-PEA April 2011

effects of inflation on the purchasing power of the population.

Government policies are supported by the IMF through a programme that is part of the Extended Credit Facility (ECF) which should be extended from 2008 to 2011¹¹ and total USD 20 million. The programme seeks to support the Government's poverty reduction strategy by participating in the improvement of macroeconomic policy and economic management. In this context, the IMF, the World Bank and partner organization have provided technical assistance in the areas of taxation policy, the management of public finance, monetary policy and the management of the financial sector.

The majority of the external funding for the country's economy now comes from Official Development Assistance, which represents around 1/10th of GDP and some USD 60 million per year. *"The Republic of Djibouti is one of the countries which receives the most Development Assistance in Sub-Saharan Africa. This external assistance is mostly made up of bilateral aid, which represents some 48% of total Official Development Assistance"* (World Bank, PER 2010).

Public external debt stands at USD 634 million. As a proportion of GDP, it has dropped slightly, down from 60 percent in 2009 to 56.1 percent in 2010. However, the level remains critical and means the country cannot source non-concessional loans, which form an important criterion in the Extended Credit Facility from the IMF. In addition, Djibouti has not been declared eligible for the Heavily Indebted Poor Country initiative (HIPC) and consequently has not benefited from debt relief. The possibilities for debt relief outside the HIPC initiative are limited, notably because multilateral creditors hold 66 percent of the debt. Bilateral creditors hold the remaining 34 percent, particularly the Paris Club (12 percent), Kuwait and Saudi Arabia.

Despite the acceleration in growth in recent years, the Djiboutian economy remains under-productive, and mainly relies on income from rents such as the port and the military bases and external aid. The informal sector is very present and employs a vast majority of Djiboutian workers. This dual situation explains why Djibouti is classed as a least developed, middle-income country. It is the result of *"...important investments that have been made recently [and which] have allowed the development of capital-intensive activities, particularly in the sectors of transports and logistics, but with a limited impact on job creation. The unemployment rate in Djibouti remains very high and is estimated at around 40-50% of the workforce. In addition, the impact of growth on poverty reduction has been relatively weak, given that 75% of Djibouti's population still live under the poverty line, and 42% are in a situation of extreme poverty"* (World Bank, 2010, Public Expenditure Review).

The INDS is designed to meet Djibouti's main development challenges, but its funding is not entirely assured. The INDS's main objectives were to reinforce the competitiveness of the country, to promote access to social services and to improve the quality of governance and public services. Today, the INDS is considered a reference road map that directs the development efforts of the Government of Djibouti. *"The funding required for INDS to operate is estimated at 294 billion DFJ (1.7 billion US dollars). However only 56% of this sum has been financed and another 131 billion DFJ are needed for the complete implementation of the INDS"* (World Bank 2010).

The Government has made progress in terms of mobilizing domestic resources with the introduction of VAT in 2009, with the ultimate aim of adopting the Common Market of Eastern and Southern Africa (COMESA) common external tariff. The IMF has recommended modernization of the tax administration and improving the collection of taxes. Measures are planned to

¹¹ Initially the programme came under the aegis of the Facility for Poverty Reduction and Growth, which has since been renamed the Extended Credit Facility. Access within the framework of a programme like that approved by the IMF Council is 12.72 million DTS, or USD 20 million, which represents 80 percent of the quota for Djibouti.

simplify the tax system and widen the taxation base, including a new customs code, decentralized payment centres and the reduction of the VAT eligibility threshold.

Djibouti is, therefore, confronted with constraints caused by vulnerability to price shocks, strong dependency on external aid and a limited production capacity. External aid finances more than 80 percent of public investment (Figure 5).

According to the Doing Business 2011 report published by the World Bank, the business environment in Djibouti is listed 158th out of 183 countries, one place lower than its score in 2010. The country obtains a good score for its external trading, but has slipped 22 places for payment of taxes, as a result of the increase in the number of payments and the time allowed for paying them.

2.2 ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS

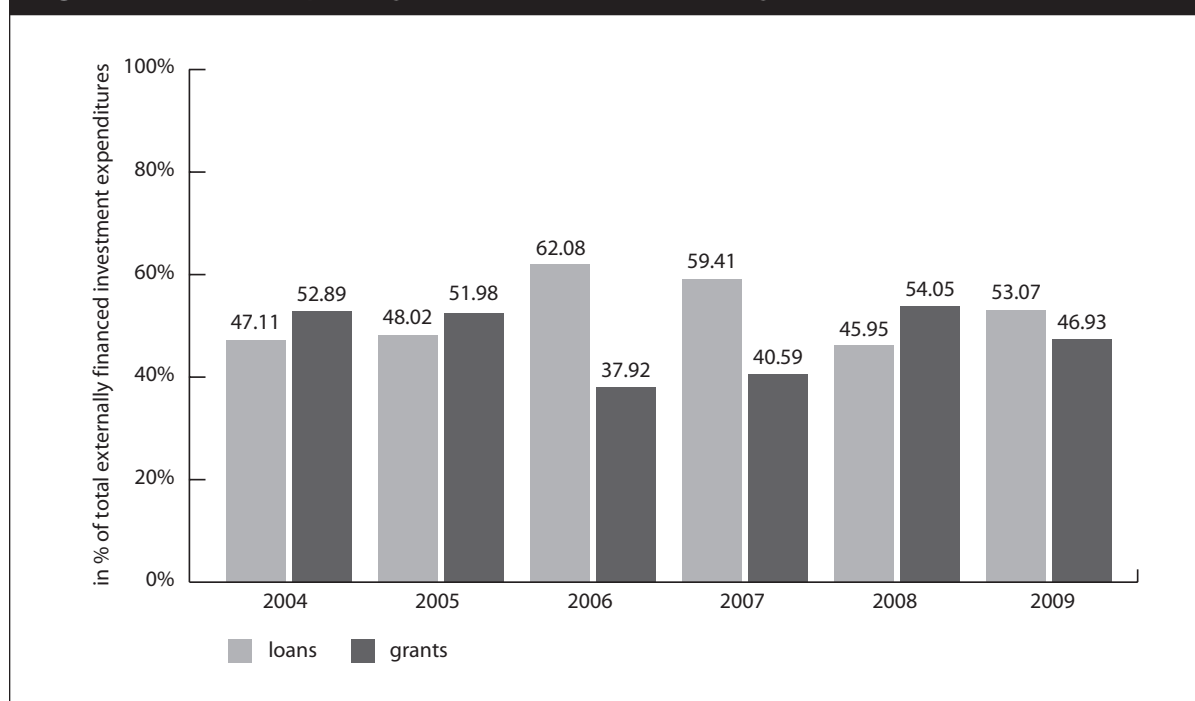
For more than a decade, Djibouti has made tangible gains in the areas of the Millennium

Development Goals (see Table 1). In the area of health, this progress is shown by the significant reduction in maternal mortality and infant and juvenile mortality, improved access to health care and essential medicines, an improvement in the vaccination cover of the under-fives and pregnant women, and a stabilization of the HIV/AIDS infection rate within the population.

Significant progress has also been made in the area of education. The improvement is mainly visible in the level of enrolment in primary and secondary schools as well as the strong gender parity index between girls and boys. In terms of gender, there has also been an increase in the number of microfinance organizations working with poor women and the institutionalization of the gender approach for an effective integration of women at the political, economic, social and cultural levels.

Despite the progress that has been made, the implementation of certain strategies and action plans for achieving a large part of the MDGs has been seriously inadequate, such as the

Figure 5. Investment Spending Per Source of External Funding



Source: Government of Djibouti

actions carried out within the Strategic Poverty Reduction Framework for which the PRSP (2003) was the national reference document. According to the AfDB, *“The probability of the other Millennium Goals being achieved is uncertain, particularly the MDG relating to the reduction of extreme poverty and hunger, where the probability of this being achieved by 2015 is almost non-existent, especially if the targeting efforts are not successful. Progress at this level will be particularly conditioned by improvements in the results-based*

management of public finances and the monitoring and evaluation system, which are currently inadequate” (AfDB 2011).

The President of the Republic made this observation during the launch in January 2007 of the INDS. The INDS is proof of the Government’s determination to combating poverty and under-development and marks a new stage in these efforts, the ultimate objective of which is to make considerable progress in achieving the MDGs.

Table 1. Djibouti: Select Human Development Indicators – UNDP, 2011

Indicators		Data	Notes
Demographics	Population	818,159	National Census 2009
Health	Prevalence of undernourishment in total population (% of population)	31	(FAO, 2006, Enquete Djiboutienne a Indicateurs Multiple)
	Under-five global acute malnutrition (GAM) rate	20	Rapid Assessment, GoD-UN, 2010 estimate
	Expenditure on health, public (% of GDP)	5.5	
	Under-five mortality (per 1,000 live births)	95	
	Life expectancy at birth (years)	56.1	
Education	Adult literacy rate (both sexes) (% aged 15 and above)	n/a	
	Combined gross enrolment ratio in education (both sexes) (%)	25.5	Data refer to 2006
	Expenditure on education (% of GDP) (%)	8.7	
	Internet users (per 100 people)	2.3	
	Mean years of schooling (of adults) (years)	3.8	Based on data from UNICEF Multiple Indicator Cluster Surveys
	Expected years of schooling (of children) (years)	4.7	Based on data from UNICEF Multiple Indicator Cluster Surveys
Economic Status	GDP per capita (2008 PPP USD)	2,274	Based on the growth rate of GDP per capita (in PPP USD) from IMF (2010) World Economic Outlook, April 2010
	GNI per capita (2008 PPP USD) LN	7.8	
	Household final consumption expenditure per capita PPP (constant 2005 international dollars)	933	
	Population living on less than USD 2 per day (%)	41.2	
	Population living on less than USD 1.25 per day (%)	18.8	

(continues)

(continued)

Table 1. Djibouti: Select Human Development Indicators – UNDP, 2011

Indicators		Data	Notes
Gender	Maternal mortality ratio (deaths of women per 100,000 live births)	650	
	Adolescent fertility rate (women aged 15-19 years) (births per 1,000 women aged 15-19)	23	
	Shares in parliament, female-male ratio	0.161	
	Maternal mortality ratio (new estimates) (deaths of women per 100,000 live births)	300	
Sustainability	Carbon dioxide emissions per capita (tonnes)	0.6	
	Protected area (percentage of terrestrial area)	0	
	Adjusted net savings (% of GNI)	28.2	
Human Security	Refugees by country of origin (thousands)	0.7	Data are as of end of 2008 unless otherwise specified. Figures include people in refugee-like situations in 2007 and 2008.
	Unemployment rate, total (% of labour force)	–	
	Population affected by natural disasters (average per year, per million people)	94,144	Natural disasters include droughts, earthquakes, epidemics, extreme temperatures, floods, insect infestation, storms, volcanoes and wildfires
Composite Indices	Multidimensional poverty index (k greater than or equal to 3)	0.139	
	HDI value	0.402	
	Inequality-adjusted HDI value	0.252	
Other vulnerability Indices	Refugees in-country	14,490	UNHCR office
	ECHO vulnerability and crisis index score	Vulnerability Index: 3 Crisis Index: 3	ECHO Global Needs Assessment 2010
	IASC Early Warning-early action rating	Orange Alert	

2.3 THE CHALLENGES AND CONSTRAINTS OF NATIONAL DEVELOPMENT

The INDS outlines the government strategy in terms of development and poverty reduction. It was defined in 2007 for the period 2007-2009 around four strategic axes: i) growth, competitiveness and employment, ii) access to basic social services, iii) reduction of poverty and vulnerabilities, and iv) public governance.

To achieve its poverty reduction objectives, the Government has adopted sectoral strategies particularly in the areas of education, health, the fight against HIV/AIDS, malaria and tuberculosis, the environment, housing, and integration of women. These strategies have been followed by a significant increase in the budgetary resources allocated to priority social sectors. Furthermore, the Government has received the support of its development partners, including the United Nations System and particularly UNDP, in drawing up these sectoral strategies (INSD 2008), developing and implementing projects and programmes and putting in place a framework for monitoring and evaluation.

The challenges include: (i) the poor capacities, at the central and local level as much as in associations; (ii) maintaining macroeconomic balances; (iii) implementing activities given the poverty of the population; (iv) difficulties in obtaining access to investment resources and socio-economic reinsertion; (v) a fair and inclusive distribution of economic growth.

The assessment of the first PRSP, implemented in 2004, showed tangible results and important progress in social sectors (PRSP Evaluation 2006). However, this encouraging progress should not mask the reality of the poverty and the social inequalities that persist. Even in the absence of recent poverty data, particularly monetary poverty, simply observing living conditions in the poorest districts of Djibouti City and in the rural areas shows that large sections of the

population continue to live in difficult conditions of poverty and marginalization. This all suggests that the notable increase in FDI flows and the current strengthening of the position of Djibouti as a transit platform have been of little benefit to these populations.

Total public spending for social programmes (excluding retirement pensions) only represented USD 8.7 billion or 0.8 percent of GDP in 2009. Although substantial efforts have been made, the funding allocated to poverty reduction seems to be inadequate, compared with the scale of the problem in Djibouti. Furthermore, existing social assistance measures do not allow the most vulnerable families to be protected from economic or climatic shocks, particularly in the urban areas.

To respond to the poverty reduction challenge, the Government has developed a number of social programmes that target the poorest people. The main aim of these programmes is to facilitate access to food through price subsidies and the distribution of food, to encourage income-generating projects (Djibouti Development Fund, Microfinance, etc.) and to offer training to young people without qualifications. The main funding instrument for these programmes is the National Solidarity Fund, which receives annual funding of USD 5.6 million.

The current food crisis in the Horn of Africa is also affecting Djibouti. The UN has launched an appeal to raise USD 21 million in order to provide humanitarian aid to 120,000 people affected by the crisis. Access to clean water also remains a major challenge for the country, both in terms of public health and the development of socio-economic activities, which would make it possible to settle populations outside of the capital. To this end, the mobilization of surface water is a government priority. Pilot schemes have been launched, with the support in particular of the African Development Bank and the UNDP within the framework of a surface water mobilization project.

Unemployment is the main problem that the new Government must tackle. A study of employment levels carried out in 2010 showed that unemployment remained high, affecting 54 percent of the workforce and 70 percent of young people. Economic growth, which is characterized by highly capital-intensive activities that create few jobs, has not been able to reduce the unemployment rate. According to the AfDB (2011), these precarious living conditions are exacerbated for the poorest 20 percent of the population, of which 63 percent are unemployed and have no assets. They live in temporary dwellings that are not connected to either the electricity or water networks. They spend USD 0.6 per person per day on food, and 53 percent of them have suffered from hunger in the last 12 months. The weak diversification of the economy limits employment opportunities. Labour-intensive economic sectors, such as agriculture or industry, are poorly developed. Productivity is low, given the low level of qualifications or their mismatch to the needs of the market.

DJIBOUTI AND FOREIGN ARMIES

Historically, the strategic location of Djibouti at the southern entrance to the Red Sea has been critical for foreign military operations in Africa and the Middle East. Djibouti is home to the largest base of the French Foreign Legion outside Europe, housing some 8,000 French soldiers and their families. In October 2002, the United States signed a military agreement with the Government of Djibouti offering financial support (of around 6 percent of GDP per year) in exchange for the right to operate a base in the country. The United States Agency for International Development (USAID) has opened an office in the country.

As a result of its new strategic geopolitical importance, Djibouti currently receives from the United States, for example, more development aid per capita than any other country in sub-Saharan Africa. In 2010, as part of the international efforts to combat maritime piracy and Al Shabab groups, Japan created a military

base in Djibouti housing more than 100 people. The income generated by the renting of military bases represents a significant part of the country's budget, estimated at more than 25 percent of tax revenue (State Budget 2010).

In addition, the presence of foreign military personnel has generated unskilled employment opportunities in cleaning, food services, construction and security, and has created great dynamism in the local economy.

PORT OF DJIBOUTI

The Djiboutian economy is essentially based on services, with the Port of Djibouti being a transit port for the region and a transshipment and bunkering port for international shipping lines. It is at the heart of the national economy and is the main source of foreign currency. Since the beginning of the war between Ethiopia and Eritrea in 1998, Djibouti has become the point of access to the sea for Ethiopia. To strengthen its presence and become more competitive, the Republic of Djibouti and Dubai Port World (DPW) have signed an agreement governing the management of the Port of Djibouti for a period of 20 years. The growth of activities led the authorities to create in 2008 the Port of Doraleh, a deepwater port able to receive the latest generations of vessels and hold its own in the very competitive port environment in the region.

The geostrategic position of the Port of Djibouti allows it to attract foreign investment to make it even more competitive. With a capacity of more than 10 million tonnes per year, a 14-hectare free zone and some 19 secure docks, the port will play a leading role at a regional level within the COMESA.

The cooperation with DPW has further consolidated port activities and made the Port of Djibouti the leading port in the region. However, the financial crisis of 2009 affected activities relating to the trading of oil and dry goods transported either in bulk or in containers and heading for Ethiopia or for transshipment. For the first

three quarters of 2010, the arrival of containers dropped by around 30 percent compared to the same period in 2009, with a particularly strong reduction in transshipment of around 75 percent. Transshipment generally represents between 50 percent and 60 percent of the traffic of containers arriving in Djibouti. In the third quarter of 2010, it only stood at 25 percent of activity. However, container traffic destined for Ethiopia has remained stable.

The dynamism of the Djiboutian economy has had a positive impact in terms of job creation and foreign investment. The Djiboutian authorities are determined to make the most of this upturn in the economy to reduce unemployment and particularly that of qualified young people, by ensuring sustainable growth. However, as a result of high production costs, including transport logistics, high workforce costs and the high cost of local finance, the scarcity of qualified workers and poor infrastructure, Djibouti's potential as a regional services hub has not yet been fully exploited.

AGRICULTURE AND FOOD SECURITY

Djibouti is confronted with periods of serious drought that have an impact on the vulnerable population. The Government's 2010 appeal to the international community demonstrates the structural nature of food insecurity in the Republic of Djibouti. As the current food crisis shows, the structure of the Djiboutian economy predisposes it to price volatility and external shocks, making the poor population even more fragile.

In 2009, the Government put in place a national food security and nutrition strategy. The first specific objective of this strategy is to achieve food security by 2025, by overcoming the problems relating to availability, access, stability and the use of food. The second objective seeks to strengthen the national capacity for putting in place a warning system and reducing the risks from disasters. Within this framework and in order to achieve its objectives, the Government

of Djibouti has created the *Société Djiboutienne de la Sécurité Alimentaire* (Djibouti Food Security Company) to manage farms in Ethiopia, Sudan and Malawi. The plan is to create strategic reserves of cereals in the districts, which would be supplied from these farms.

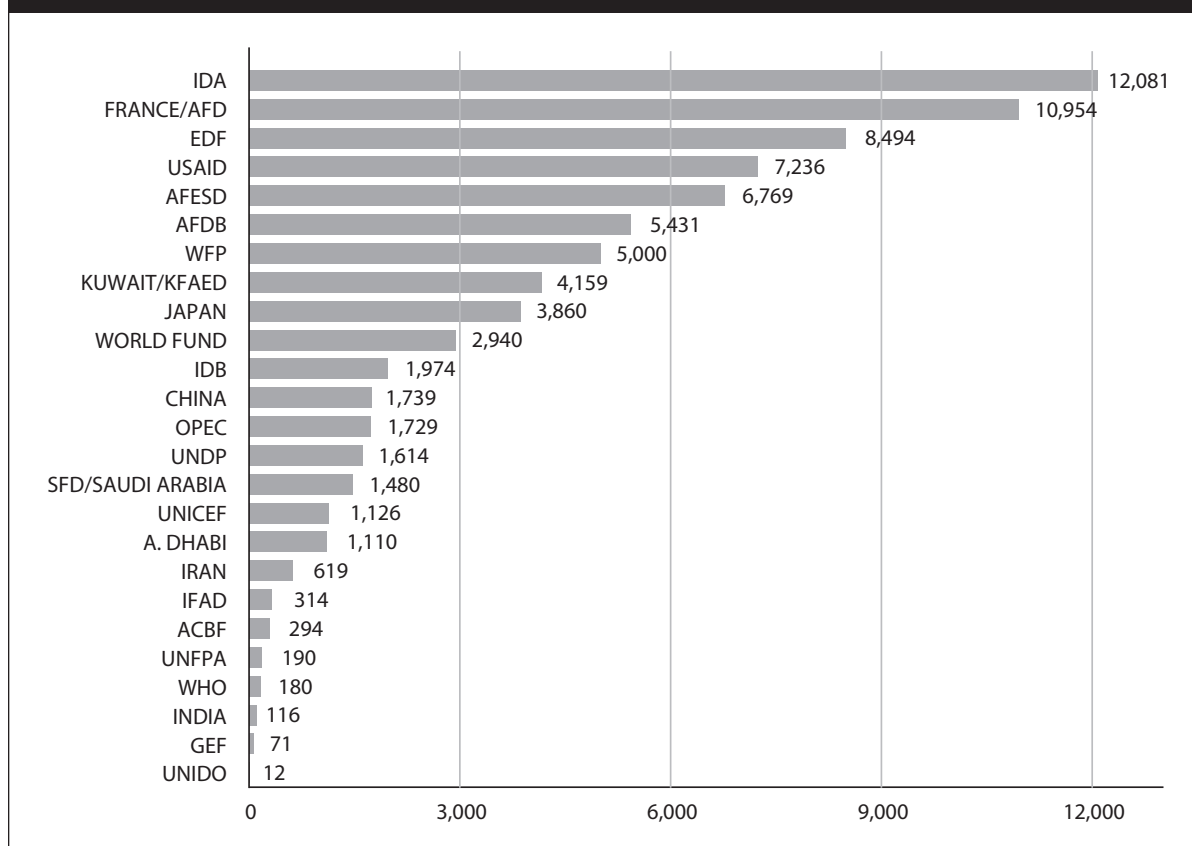
2.4 DEVELOPMENT ASSISTANCE TO DJIBOUTI

Aid from international donors to Djibouti (Figure 6) represented around 6.8 percent of GDP in 2010. This aid allowed the country to meet economic and social development challenges. ODA continues to represent a growing and significant part of the country's national budget, as much in terms of public investment as for operational purposes. The support of development partners is more and more concentrated on vital sectors of the economy and the core social services such as education and health.

In addition, and despite the importance of ODA in its GDP, Djibouti suffers from the poor coordination and harmonization of donor support. This situation can be explained by the absence of aid coordination mechanisms at the national level and the few donors actually present in the country. Efforts are under way between the Government and a number of donors present in Djibouti to put in place an aid-coordination mechanism in the country. The project-based approach is predominant in the design and implementation of aid programmes. The main objectives are: the exchange of information and the harmonization of donor intervention, with the aim of improving the effectiveness of the aid and allowing the country to better manage its level of debt, which is today considered to be critical.

This mechanism should make it possible to: (i) target priority projects; (ii) strengthen existing national programmes; (iii) provide greater capacity for internal monitoring and supervision; and (iv) act as a catalyst for the mobilization of funds and for activities that are often problematic, particularly project monitoring, evaluation and audit.

Figure 6. Major Donors in Djibouti, 2004-2008 (177 FD = USD 1)



Source: Cooperation and Development Report 2010

The main multilateral development partners are each present in their specialist area where they have a comparative advantage. At the national level, development partners have focused their actions on supporting proactive sectoral policies put in place by the government authorities. This partnership is reflected in the creation in 2000 of the Education Partners Group (*Groupe des Partenaires de l'Education*), the inter-agency coordination committee for the wider programme of vaccination and the Group of Health Partners in 2005. In addition to the investments made in the social sector, development partners have also encouraged the promotion of the private sector via the Integrated Framework.

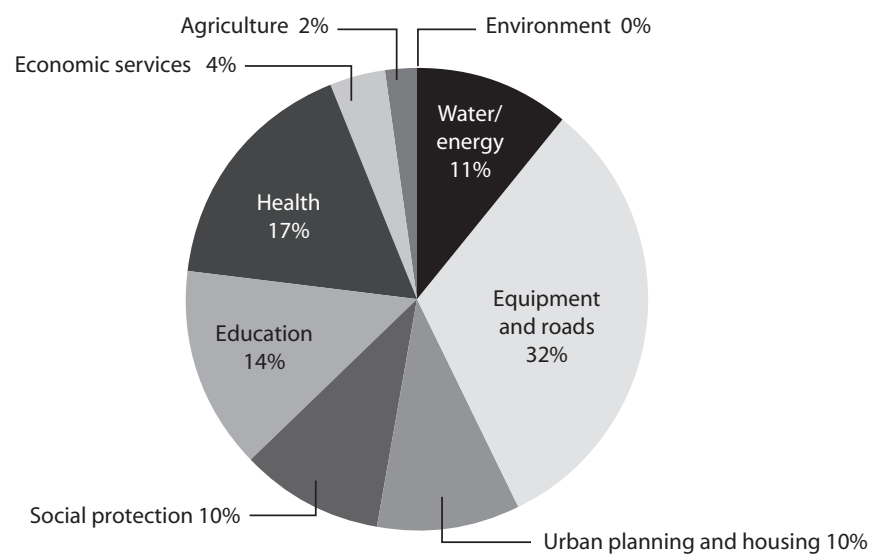
In the humanitarian sector, development partners have reacted to emergency situations linked to flooding around the Ambouli Wadi, the problems of drought and famine, and also the problems related to the presence of refugees

from neighbouring countries. They have also participated in the promotion of a culture of prevention, providing support for the drawing up of a national strategy of preparation and response to the disasters that have affected the country.

External funding continued to hold a predominant place in public investment in the last two decades, representing an average of 84 percent of the public investment budget between 2002 and 2009 (Figure 7).

In terms of bilateral partners France (AFD) holds first place thanks to its strategic relations with Djibouti, followed by the United States and Japan. These three countries have significant military interests in the country. Another significant detail is the growing importance of aid from developing countries, particularly from the Arab world, in the overall aid budget.

Figure 7. Government of Djibouti Public Investment Programme Allocation, 2009



Chapter 3

UNDP RESPONSES AND STRATEGIES

3.1 PROGRAMME CYCLES AND FINANCIAL PROFILE

Since 1979, when the headquarters agreement was signed, UNDP has been a loyal partner working alongside the Government of the Republic of Djibouti. In addition to its own resources, UNDP manages lines of credit from a variety of sources with the aim of supporting development efforts in Djibouti. These resources include UNDP core funding, resources mobilized by the Government and resources from other UN agencies and from bilateral and multilateral donors.

UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK DOCUMENTS

UNDAF 2003-2007

The key points that emerged from the Common Country Assessment (CCA) and the country strategy described in a number of government documents were used to define the themes in the United Nations Development Assistance Framework (UNDAF) 2003-2007. This assistance was mainly concentrated around the following four core areas:

- Poverty reduction and promotion of social development;
- Promotion of good governance and human rights;
- Promotion of good health and the fight against HIV/AIDS and other communicable diseases;
- Conserving water resources and sustainable usage.

This choice of themes respects the Government's development priorities but also the wishes of other stakeholders, notably civil society and the

private sector. These actions correspond to the major programmes of the United Nations and namely the development of social sectors, such as the MDG in the areas of health, the living environment and education in addition to the more generic sector of poverty.

The UNDAF succeeded in federating a panel of bilateral and multilateral donors including the IMF and the World Bank. Also, many UN institutions and agencies continue to assist Djibouti although they do not have representatives there, including FAO, ILO, UNESCO, UNDESA, to name just the most important.

UNDAF 2008-2012

The monitoring and evaluation section of the CCA drawn up in September 2006 around the four areas of strategic intervention in UNDAF 2002-2007 has been renewed. There are now three major cooperation areas related to current challenges:

- Support for local development;
- Access to basic social services;
- Strengthening of governance and partnerships.

These areas are in line with the strategic vision of the areas of intervention of the PRSP and the INDS with the aim of achieving the MDGs. Indeed, the INDS was aligned with the MDG indicators. The road map of the second presidential term (2005-2011) emphasized the expected social results which were then reaffirmed during the speech on the INDS in January 2007.

The areas of cooperation of UNDAF 2008-2012 are very favourable for the UN given their comparative advantages. With the collaboration of

the Government, a dialogue on the ways and means of this cooperation is under way, along with the outline of the concretization of technical and financial participation from institutions and funders but also governmental and national bodies such as sectoral ministries, national and international NGOs.

Integrating UNDP into the UNDAF 2008-2012 programme

By drawing on the country's strategic documents (the PRSP and INDS), the lessons learned during earlier cycles and the areas of intervention of UNDAF 2008-2012, the UNDP programme has focused its efforts on two areas: poverty reduction and the promotion of good governance with the addition of two cross-cutting themes, namely gender and the environment.

Poverty reduction

In terms of poverty reduction, UNDP adopted a strategic approach to achieving the MDGs by strengthening the statistical system and supporting community dynamism, with the aim of improving the living conditions of the poorest people.

UNDP's action plays a part in the implementation of integrated local development, particularly in the areas of gender and income generation, the roll-out of a system for financing local authorities and the strengthening of local institutional and community capacities in the management of natural resources.

Strengthening governance

In terms of good governance, UNDP-Djibouti has significantly contributed to strengthening and consolidating the rule of law. The country programme positioned itself to achieve objectives including the capacity of the Djiboutian counterparts to formulate, plan, manage, analyse and monitor policies and programmes.

Cross-sector programmes

UNDP's cross-sector programmes for the period of the evaluation were concentrated in three areas: promotion of gender equality, environmental management and the fight against HIV/AIDS. These areas were identified by the UNDAF.

Summary of the two UNDP programmes

The two project portfolios, the 2003-2007 cycle and the 2008-2012 cycle (Table 2) are relatively similar (25 projects for the first cycle and 31 for the second). The funding managed by UNDP, for each cycle, stands at a little more than USD 7 million.¹² This weak financial capacity greatly handicaps the institution's desire to do greater things.

The projects were not awarded the same amount of funding in the two cycles. Poverty was the major recipient in the 2003-2007 cycle, with 69 percent of general funding, whereas in the second cycle this had fallen to just 27 percent. This reduction is partly due to the major project of rebuilding homes in the north coming to an end. Inversely, governance projects, of which there were 14 in the first cycle and 16 in the second, received greater funding, which doubled from 25 percent to 50 percent. The environment's share of the funding increased from 5 percent to 23 percent simply through the funding of the PROMES-GDT project (Project to mobilize surface water and for sustainable land management), which represents nearly USD 1 million.

Programme funding

The sources of funding for the country office represent more than half of internal resources with the remainder coming from other donors (see Table 3). In the current cycle, with the exception of the European Union within the framework of decentralization and the *Fonds Français pour l'Environnement* (the French Environment Fund), no substantial resources have been raised (Table 4).

¹² USD 7,119,624 (excluding CCI) for the 2003-2007 cycle and USD 7,215,631 for the 2008-2012 cycle.

Table 2. UNDP-Djibouti Programme Cycles, 2003-2007 and 2008-2012

Programme cycle 2003-2007					
Programme Area	Projects	Type	SOF	US\$ amount	Time-frame
Poverty Reduction	Lutte contre la pauvreté	NEX	TRAC	1,408,309	2003-2007
	Reconstruction de logements dans le nord	DEX	TRAC	566,540	2003-2007
	Appui à la réinstallation des personnes déplacées	DEX	EU	2,328,991	2004-2007
	Renforcement des capacités de l'ONG Oui à la vie	DEX	TF	9,903	2004
	Schéma Directeur Statistique	DEX	SMF	540,115	2004-2007
	Strategie nationale statistique	DEX	SMF	74,601	2005-2007
Governance	Appui à la bonne gouvernance	NEX	TRAC	1,021,737	2003-2007
	Gestion des catastrophes	DEX	TRAC	73,138	2004
	IF National Implementation	DEX	TF Trade	23,498	2004-2007
	Appui au Programme	DEX	TRAC	14,522	2004
	Appui à la réponse sécheresse	DEX	TRAC	50,000	2005
	Appui d'urgence au Gouvernement	DEX	TRAC	50,000	2004-2005
	Renforcements des moyens de communication	NEX	TTF	88,795	2005
	Appui à l'ANPI	NEX	TRAC 3	56,861	2006
	Lutte contre la grippe aviaire	DEX	TRAC 3	90,000	2006-2007
	Appui à l'ONARS	DEX	TRAC 3	25,116	2006
	Appui au Renforcement	NEX	TTF	97,299	2006
	Appui au processus de décentralisation	NEX	CAP 21	200,000	2004-2006
	Renforcement des capacités institutionnelles	Agence CCI	TF	374,214	2005-2007
	Appui au développement du secteur tourisme	Agence CCI	TF	563,300	2005-2007
Environment	PDF-A: Capacités GDS	NEX	GEF	40,500	2005-2007
	PIMS3456-bd-GLO-MSP	NEX	GEF	5,113	2006
	NCSA	NEX	GEF	189,588	2006-2007
	Promotion de l'énergie solaire	NEX	TTF	150,000	2006-2007
	Appui à la lutte contre le déboisement	DEX	TF-TRAC	14,998	2006-2007

(continues)

(continued)

Table 2. UNDP-Djibouti Programme Cycles, 2003-2007 and 2008-2012					
Programme cycle 2008-2012					
Programme Area	Projects	Type	SOF	US\$ amount	Time-frame
Poverty Reduction	Appui à l'INDS	NEX	TRAC	700,466	2008-2011
	Appui à la Statistique	NEX	TRAC	385,238	2008-2011
	Appui à l'ADDs	NEX	TRAC	302,192	2008-2011
	Appui à la gestion de la dette	NEX	TRAC	50,000	2011
	Appui à la planification	NEX	TRAC	50,000	2011
	Etablissement des coûts des OMD	NEX	TTF	186,000	2009-2010
	Appui à l'ANEFIP	NEX	Suisse+TRAC	206,071	2008-2011
	(Gov) HDRO : NHDRs	DEX	HDRO	55,000	2010-2011
	Appui à l'emploi	NEX	TRAC	20,000	2011
Governance	Appui à la coordination de l'aide	NEX	TRAC	238,106	2008-2011
	Crise alimentaire et inflation	DEX	CERF	245,392	2008
	PADCL	DEX	EU Trust Fund	506,678	2008-2011
	Appui à la Décentralisation	DEX	TRAC	475,862	2008-2012
	Leadership des femmes	NEX	TTF+TRAC	400,418	2008-2012
	Appui à l'Inspection Générale d'Etat	NEX	TRAC	70,000	2008
	Appui à l'harmonisation des textes	NEX	TRAC	128,228	2008-2011
	Indicateurs gouvernance	NEX	TTF	82,147	2009-2010
	Appui à la Justice et aux droits de l'homme	NEX	TRAC	287,046	2009-2011
	CO Strategic Gender	NEX	TF	15,230	2010
	Appui à la Jeunesse	NEX	TRAC	40,000	2009
	Renforcement cap nat gouvernance démocratiques	NEX	TTF	300,000	2011
	Appui aux élections	NEX	TRAC	50,000	2011
	Renforcement de l'Assemblée nationale	NEX	TRAC	463,924	2008-2011
	Appui à la Mairie	NEX	TRAC	40,000	2011
	Renforcement des capacités dans la région d'Arta	NEX	TTF	232,254	2008
Environment	PROMES-GDT	NEX	TRAC+AFD	928,548	2009-2011
	Plan de gestion	NEX	GEF	136,849	2008-2009
	PIMS 3918 BD MSP:GLO	NEX	GEF	302,192	2008-2011
	Aires Marines protégées	NEX	GEF+TRAC	26,290	2009
	GOAL WASH	NEX	GEF	160,500	2011
	PIMS 4049 BD MSP Air	NEX	GEF	131,000	2011

Table 3. Distribution of Resources Per Area of Activity, 2008-2011 (in USD million)

	Regular Resources*	Other resources	Total
Poverty reduction and MDGs	1.70	0.20	1.90
Democratic governance	2.00	1.10	3.10
Environment	0.55	1.50	2.05
Total	4.25	2.8	7.05

* TRAC 1, 2 & 3 resources

Table 4. Changes in Contributions from UNDP's Main Financial Partners, 2005-2010 (in USD)

Partner	2005	2006	2007	2008	2009	2010	TOTAL
European Union	488,171	467,743	12,917	3,145	408,297	–	1,380,273
French Development Agency (AFD)	–	–	–	–	223,979	397,663	621,642
Netherlands	–	15,000	–	–	–	–	15,000
Switzerland	–	–	23,460	109,034	–	11,486	143,980
Djibouti Government	–	–	–	12,068	6,034	20,147	38,249
Thematic Trust Fund	–	–	–	383,854	236,000	50,000	669,854
GEF	4,515	54,798	93,968	59,635	172,002	6,000	390,918
Total	492,686	537,542	130,345	567,736	1,046,312	485,296	3,259,916

Since the transfer of project management to the national counterparts, there has been a rise in the classification of projects as national execution (NEX). The budgets of NEX projects have risen from 46 percent of total spending in the previous

cycle to 82 percent of the total in the current cycle, as can be seen in Table 5. This situation cannot always be verified in the field where a certain number of projects still operate as semi-direct execution (DEX) or semi-NEX.

Table 5. Change from DEX to NEX between 2003-2007 and 2008-2012 (in USD)

Programming Cycle 2003-2007							
Programme	Period	NEX		DEX		Total	
Poverty Reduction	2003-2007	1,408,309	29%	3,520,150	71%	4,928,459	100%
Governance	2003-2007	1,464,692	82%	326,274	18%	1,790,966	100%
Subtotal		2,873,001	43%	3,846,424	57%	6,719,425	100%
Environment	2003-2007	385,201	96%	14,998	4%	400,199	100%
Total		3,258,202	46%	3,861,422	54%	7,119,624	100%
Programming Cycle 2008-2012							
Poverty Reduction	2008-2011	1,899,967	97%	55,000	3%	1,954,967	100%
Governance	2008-2011	2,347,353	66%	1,227,932	34%	3,575,285	100%
Subtotal		4,247,320	77%	1,282,932	23%	5,530,252	100%
Environment	2008-2011	1,685,379	100%	–	0%	1,685,379	100%
Total		5,932,699	82%	1,282,932	18%	7,215,631	100%

Monitoring and evaluation of the UNDP programme

The majority of management has been transferred to the national counterparts and operates in the NEX mode. This has required a new procedure for funds transfer (the Harmonized Approach to Cash Transfers, or HACT) as well as a method of application that is in line with integrity procedures and the transparent management of resources. The Ministry of Foreign Affairs and International Cooperation and UNDP working in close collaboration have continued to supervise the execution of the programme.

Generally, and in respect of the Paris Declaration, UNDP like the other UN agencies has used the national mechanisms of monitoring and evaluation, mainly those of the PRSP and the UNDAF that form the reference framework for the monitoring and evaluation of projects financed by the UN. To this end, an annual review, a mid-term external evaluation in 2010 and an evaluation of the UNDAF impacts have been carried out.

3.2 COUNTRY OFFICE ORGANIZATION, INITIATIVES AND ISSUES

UNDP-Djibouti's total staff complement, including long-term technical assistants supporting projects and support staff, numbers only about 30 people. Their two international officers, the Resident Representative (RR)/UN Resident Coordinator (RC) and a Deputy Resident Representative (DRR), have been in the country for a little less than two years. The DRR is largely responsible for the day-to-day management of the UNDP programme while the RR/RC is also focused on the demands of guiding the overall UN Country Team. They are supported by three national programme officers: one focused on the governance portfolio, another focused on the poverty and environment portfolio and a third responsible for the emerging programme in climate change adaptation. The first two officers are a remarkable repository of corporate memory and experience; with a total of almost forty years experience between them,

they oversaw disbursements of roughly USD 2 million per year during the first three years of the current phase of programming (Table 6). The third programme officer is a new recruit, leading a promising initiative to mobilize significant new climate change adaptation funding.

As will be discussed later in Chapter 4, UNDP is widely appreciated among government partners for its flexibility and responsiveness to government requests for support. Yet a frequent complaint among UNDP-Djibouti's partners is that the country office's effectiveness is limited by human resources that are stretched too thinly over too many diverse initiatives. The country office has begun a 'management for change' programme, aiming to better link officers' capacities and job descriptions with office needs, to identify new skills development activities for staff and other means of keeping up with the constantly changing demands of a diverse programme. The Regional Bureau, though not a frequent visitor to the country office in recent years, has begun providing valuable support in this process.

A management issue raised by a number of UNDP-Djibouti's government partners during the ADR evaluation concerned the transition from the DEX to the NEX modality, summarized above. A number of partners described their frustration with what they perceived as an incomplete transition from the former to the latter, while UNDP-Djibouti maintains that they are simply exercising due diligence in following payment mechanisms that correspond to the financial management capacities of their government partners, in response to audits' recommendations. The only remaining major projects following the full DEX modality are those in support of decentralization, where this modality was a requirement stipulated by the European Union, one of the main sources of funding.

Another issue raised by international partners in particular concerned the country office's limited communication capacities. This is apparently related to the limitations of the office's human

resources and monitoring and evaluation (M&E) capacity. The latter, as mentioned above, is increasingly tied to Djibouti's national M&E system, itself subject to serious limitations. This ought to be a priority issue for country office senior management as it is directly linked to the office's resource mobilization capacity. Weak monitoring and reporting discourages potential donors.

Country office resources are also used to provide administrative and management support to different members of the UN Country Team in Djibouti. This involves, for example, providing

support for staff recruitment, personnel management, payments to suppliers and travel services to the other UN agencies present in the country – WFP, UNFPA, UNAIDS and FAO. Similar services are provided as required to non-resident agencies when these are active in the country, as well as logistic support for their workshops, seminars and conferences. Finally, they share common services with the UN Department of Safety and Security, with whom they share office space, and the UN Political Office for Somalia, for whom they also provide support for the development of the protocols and political contacts needed to facilitate their mission.

Table 6. UNDP-Djibouti Annual Spending, 2008-2010 (in USD)

Programme	2008	2009	2010	Total
Appui aux activités du Programme (DSS)	63,367.15	43,459.00	54,731.00	161,557.15
Renforcement des capacités du MAECI en matière de coordination de l'aide	36,478.61	79,365.99	52,261.00	168,105.60
PADCL PNUD	146,503.16	79,326.25	152,737.66	378,567.07
Plan de Gestion & Elimination	0.00	144,849.12	0.00	144,849.12
Appui à l'Inspection Général d'Etat	67,009.67	0.00	0.00	67,009.67
Renforcement des capacités de la région d'Arta	236,546.98	0.00	0.00	236,546.98
Leadership des Femmes	139,121.41	70,397.00	85,103.03	294,621.44
Renforcement capacités institutionnelles du Ministère du commerce	200.00	0.00	-199,836.00	-199,636.00
Appui développement du secteur du tourisme	8,759.00	16,366.00	196,664.00	221,789.00
Assistante à l'ANPI	56,861.00	0.00	0.00	56,861.00
PIMS 4049 BP PPG MPAs	0.00	26,289.46	0.00	26,289.46
Appui à l'élaboration d'indicateur	0.00	29,407.85	52,739.00	82,146.85
Appui à l'ANEFIP	115,369.81	69,792.34	21,007.00	206,169.15
PIMS 2560 NCSA	57,246.36	0.00	0.00	57,246.36
Appui à l'INDS & Costing OMDs	139,492.16	213,814.80	196,396.38	549,703.34
	0.00	55,755.00	130,244.98	185,999.98
Renforcement des capacités de l'Assemblée Nationale	112,453.83	91,788.82	139,840.67	344,083.32
Appui à la statistique/Planification/Dette	65,372.83	157,337.16	92,704.37	315,414.36
Appui à l'ADDs	55,458.16	125,348.73	61,384.87	242,191.76
Appui justice & harmonisation	51,299.54	22,921.00	30,377.24	104,597.78
Crise alimentaire & inflation	245,391.86	0.00	0.00	245,391.86
Lutte contre la grippe aviaire	4,593.74	0.00	0.00	4,593.74

(continues)

(continued)

Table 6. UNDP-Djibouti Annual Spending, 2008-2010 (in USD)				
Programme	2008	2009	2010	Total
PADCL ue	0.00	312,363.13	103,426.00	415,789.13
PROMES-GDT	0.00	227,382.87	391,355.60	618,738.47
Human Development Reports	0.00	0.00	22,059.00	22,059.00
Appui à la réponse à la secheresse	9,610.56	0.00	0.00	9,610.56
4NR Support to GEF CBD Parties 2010 biodiversity targets		4,000.00		4,000.00
PIMS 4049 BD PPG MPAs	0.00	0.00	131,000.00	131,000.00
Appui à la Justice et Promotion des Droits de l'Homme	0.00	112,906.56	172,528.91	285,435.47
COs Strategic Gender Mainstreaming	0.00	0.00	15,230.00	15,230.00
Appui Jeunesse	0.00	34,555.75	-3,000.00	31,555.75
Appui Mairie de Djibouti	0.00	19,293.00	-18,692.25	600.75
PAF ONUSIDA	0.00	72,932.21	567.00	73,499.21
Grand total year/period	1,611,135.83	2,009,652.04	1,880,829.46	5,501,617.33

Chapter 4

CONTRIBUTION OF UNDP TO DEVELOPMENT RESULTS

The analysis contained in this chapter follows the two traditional stages of UNDP ADRs, namely the evaluation of development results for the specific areas of intervention and an assessment of UNDP's strategic position. In the first subsection, the analysis will follow the themes of UNDP's work in Djibouti, and will illustrate the various level of achievement of results. Particular attention will be paid to assessing the *direct* contribution of the UNDP country office in terms of the main areas of intervention but also the *indirect* contributions such as support for aid coordination, mobilization of resources, etc. An analysis of the cross-cutting themes of gender and the environment, plus the activities of UNDP within the framework of common United Nations activities not relating to projects, will be presented.

4.1 DIRECT CONTRIBUTION TO POVERTY REDUCTION

Poverty reduction and the promotion of the MDGs occupied a fairly significant place in the two UNDP programme cycles between 2003 and 2012. The resources allocated to this activity in the 2003-2007 cycle represented 69 percent of the general budget, whereas in the current cycle this has fallen to 27 percent.

During the 2003-2007 programme cycle, UNDP contributions to poverty reduction mainly targeted the following areas:

- improved capacity to formulate, monitor and evaluate poverty and inequality;

- strengthening of regional capacities and improvements in the living conditions of the population;
- greater private sector ability to play a leading role in economic growth and development.

The second cycle (2008-2012) focused more on improving the living conditions of the most disadvantaged communities. Activities under way in this cycle have two main objectives:

- By 2012, the most disadvantaged communities will have greater involvement in the process of improving their living conditions;
- More of the most disadvantaged people will have seen their income increase.

More precisely, UNDP's poverty reduction actions for the current period take the form of support for local development,¹³ microfinance and income-generating and employment-creating activities. This cycle also includes an important programme addressing the management of natural resources (PROMES-GDT).

Overall, the choices in this important area have been pertinent, in the sense where the support and strengthening activities have accompanied the implementation of socio-economic development plans in the country. This support has taken the form of the production of a number of pertinent documents, plans and sectoral studies, plus the provision of experts.

¹³ The evaluation team will address the local development aspect of poverty reduction, the social project designed to promote the development of a viable economic fabric in the regions and decentralization, the political project which involves the question of local governance. Thus, the team will cover the projects developed in the two areas of poverty and governance.

Table 7. Map of the Themes, Effects and Projects Considered, 2008-2012

Thematic area	Effects/Results	Projects considered
Poverty	D'ici a 2012, les communautés de base les plus défavorisées sont davantage engagées dans	Lutte contre la pauvreté
		Appui a l'ANEFIP
		PADCL
		PROMES-GDT
		Plan de gestion
		PIMS 3918
		Aires Marines protégées
		GOALWASH
		PIMS 4049 MSP Air
	Davantage de personnes parmi les plus défavorisées ont leur revenu augmenté	Lutte contre la pauvreté
		Appui a l'ADDs
		Appui a l'emploi
Governance	Tout les acteurs (gouvernement, parlement, secteur privé, régions, société civile) participent a la formulation et la mise en oeuvre des politiques de développement	Appui a l'Assemblée Nationale
		Appui aux élections
		Renforcement des capacités nationales démocratiques
		Appui a la Mairie
		Renforcement des capacités d'Arta
		Appui a la Jeunesse
		Appui a la Décentralisation
		PADCL
		Appui a l'Inspection générale d'Etat
		Appui a la coordination de l'aide
		Crise alimentaire et inflation
	Les mécanismes de suivi et d'évaluation des politiques de développement sont fonctionnels et efficaces	Appui a la Statistique
		Costing des OMDs
		Appui la gestion de l'Aide
		Indicateurs Gouvernance
	Promotion et la protection des droits des populations	Appui a l'harmonisation des textes
		Appui Justice et Droits de l'Homme
		Leadership des femmes

RESULT: CAPACITY TO FORMULATE, MONITOR AND EVALUATE POVERTY AND INEQUALITY AND NATIONAL STATISTICAL SYSTEM

In terms of support for the implementation and strengthening of monitoring and evaluation mechanisms, the choice of objectives is considered to be generally pertinent. Many achievements, particularly in terms of statistics (see Box 1) including important studies carried out during this period, can be attributed to UNDP. During the two

cycles, all those interviewed confirmed the overall effectiveness of this sub-section. UNDP is considered to be a traditional partner of the Statistics and Demographic Studies Division (DISED). The agency is considered to be quicker and more flexible in comparison with other partners not in present in the country. Its long-term assistance with the strengthening of the statistical system needed in order to make decisions, which has been in place since the first poverty-reduction documents, is recognized and appreciated.

Box 1. UNDP Support For Statistics

The Achilles tendon of the Monitoring and Evaluation procedure of Djibouti's first PRSP (2004-2006) was undoubtedly the statistical system, which was notoriously poor in terms of adequate and reliable data, making it impossible to complete the various tables that were required for the procedure. The result was the paradox that characterized the PRSP, namely the authorities being unaware of the coinciding of a positive macroeconomic performance and a parallel rise in the level of poverty, because of the lack of reliable and available statistics. Indeed, a number of basic indicators, such as unemployment figures, date from the last household survey (EDAM) carried out in 2002. Having learned from this experience, the Government placed the emphasis during the 2007-2010 period on collaboration with UNDP to find a definitive resolution for Djibouti's statistical problems.

Already during the first PRSP, a number of programme initiatives played a substantial role in contributing to the rehabilitation and **strengthening of the statistical system**: (i) the preparation of a complete audit of the statistical system and the capacity of the main producers and users of the system, (ii) the formulation of a *Statistics Master Plan* for 2006-2010 period, accompanied by a sectoral action plan and a *specifications document*, which was validated during a national workshop organized in December 2005, and (iii) the preparation of proposals relating to the *reform of the National Statistical System* (NSS).

With the second programme of support for strengthening statistics (2008-2012) mentioned in the UNDAF and in accordance with the core themes of the INDS, substantial improvement was made in terms of the production and publication of statistical data, which should make it easier to monitor and evaluate the INDS and the MDG and will make strategic planning more reliable. Some of this significant progress can be attributed to the government and in particular to the DISED (*Direction des Statistiques et des Etudes Démographiques* – Statistics and Demographic Studies Division) namely: (i) the preparation and validation in January 2010 of the National Strategy for Statistical Development (SNDS), the implementation of which is an integral element of the INDS, (ii) the successful organization in 2009 of the General Population and Habitat Census, as the main operation of the Statistic Strategy. However, the analysis and use of the raw data still requires significant resources, the mobilization of which is programmed within the INDS, (iii) the vote by the national legislature of the Statistics Law which enshrines and validates all the institutional, organizational and technical laws contained within the SNDS, (iv) the organization, currently under way, of a number of sectoral studies, statistical surveys and other activities designed to improve the quality of the statistical indicators of the INDS and the MDG, (v) the Republic of Djibouti becoming a member of AFRISTAT, the Economic and Statistical Observatory of Sub-Saharan Africa and (vi) the opening of a statistics section at Djibouti University to strengthen the national statistical system.

Henceforth, it is clear that the coming years will see great improvements in terms of production, availability, reliability and publication of national, macroeconomic and sectoral statistical data. This will encourage efficient monitoring of the INDS and the MDGs.

It is worth reiterating that to achieve the above-mentioned objective, UNDP started providing support right from the 2003-2007 period to strengthen capacity in the formulation, monitoring and evaluation of poverty. At the time, this mainly consisted of support to rehabilitate the national statistical system with the aim of producing better reporting. The institutional and operational support that has been provided is even more crucial for measuring efforts undertaken to achieve the MDGs. At the operational level, support is concentrated on the preparation of conditions for an effective implementation of the Strategic Framework for Poverty Reduction (CLSP). This took place with the implementation of a preliminary Integrated Framework for Monitoring and

Evaluating the CSLP, which was presented as a reference document that outlines the basis for the M&E system of the PSRP (CLSP). A series of training workshops on monitoring and evaluation instruments produced great awareness of the importance of monitoring and evaluation, but no real appropriation and learning. In an environment where the monitoring and evaluation culture is very limited, these actions were able to demonstrate its usefulness in the study of poverty. The sustainability of the activities carried out during this period is considered to be low, given that the core objective of introducing a sustainable structure of supervision and monitoring and evaluation was not successful. UNDP failed to generate a systemic approach or the appropriation of the instruments.

Box 2. UNDP Support for the INDS Evaluation and Prospects

In January 2007, the Government of Djibouti launched the National Initiative for Social Development (INDS). The INDS takes into account the lessons learned during the first PRSP 2004-2006, the implementation of which did not resolve the structural problems of poverty and income inequality in Djibouti.

Despite the good results achieved at the political and macroeconomic level, the ex-post evaluation of the first PRSP clearly demonstrated that the situation of vulnerable people had worsened as had poverty in general. But this was barely perceptible because there was no real assessment of needs in terms of resources as well as a lack of coordination and regular monitoring based on specific and reliable statistical data.

In 2008, to address this issue, the State Secretariat of National Solidarity (SESN – Secrétariat d'Etat à la Solidarité Nationale) was created, in charge of drawing up, coordinating and implementing, plus monitoring and evaluating the INDS and the MDG (Decree N° 2008-0093/PRE). Its objective is to apply government policy in terms of poverty reduction, exclusion, vulnerability, regional inequalities and to promote national solidarity in all its forms.

UNDP in Djibouti has provided substantial support to the INDS pilot scheme and to strengthening the planning and monitoring and evaluation mechanisms of policies and public resources via a programme that started in 2008. The aims of this programme include: (i) the creation of an INDS permanent technical secretariat, (ii) putting the INDS into practice using two essential tools: the preparation of an action plan and the creation of a monitoring and evaluation and capacity-building system.

The efforts made to date are significant and tangible. The implementation unit (STP) is operational with the presence of an international macro-economic expert and two national experts (an economist and a statistician). These activities have produced three mid-term results: (i) an INDS action plan for 2008-2012, which has been approved by the Council of Ministers. The project team has provided decisive support to the SESN for the preparation and coordination of the work on the action plan; (ii) three instruments for implementation and monitoring and evaluation of INDS were designed: an institutional mechanism, an implementation system consisting of three commissions (economic activities, human resources, governance), a monitoring and evaluation system including a steering committee, and an actions matrix; (iii) ministry units and the construction of the monitoring and evaluation units and the training of national executives in the mechanisms of results-based monitoring and evaluation.

(continues)

Box 2. UNDP Support for the INDS Evaluation and Prospects

However, the monitoring and evaluation indicators and the common database are being prepared by the DISED following the finalization of work on the General Population and Habitat Census; only the steering committee and the thematic groups meet regularly and are operational. These first results have encouraged the creation of a partnership with the World Bank, which has agreed to co-finance the work needed to make the national monitoring and evaluation system operational.

In addition, UNDP has provided considerable support in the area of strengthening the operational capacity of the State Secretariat via the purchase of equipment and consumables.

Notwithstanding this progress, the results of the implementation of the INDS are mitigated. Despite strong economic growth, little progress has been seen in terms of poverty reduction. According to the AfDB, this situation can be explained by i) the concentration of FDI in highly capital-intensive activities that generate little employment; ii) the lack of selectivity and prioritization of actions within the four pillars of the strategy; iii) partial funding of the strategy; and iv) the absence of a monitoring and evaluation system supported by an adequate results framework. Other significant inadequacies persist in the national capacity to implement the INDS, including: (i) a weak, and often total lack of extension work on the Social Development Initiative, particularly towards the populations who are the main target beneficiaries, (ii) weak national capacities, (iii) poor coordination of planning, programming, monitoring and evaluation tasks between the SESN and the Ministry of Economy, Finances and Planning. In this last area, problems of a technical and institutional nature have been greatly resolved with the formation of the new Government and particularly by awarding the task of strategic planning for the INDS to the Minister of Economy and Finance.

The INDS is an ambitious strategy, the implementation of which requires solid technical capacities in terms of project management, financial management, coordination and monitoring. Despite the modernization efforts undertaken in recent years, the Djiboutian administration still suffers from a lack of qualified human resources and modern management tools. In particular, there is no budget mechanism that links the strategic priorities of the INDS to the state budget, and there is no results-based management. This is why the authorities seem determined to strengthen budget management procedures and promote greater visibility in the execution of INDS programmes, with the technical support of the IMF (programme FEC 2008-2012) and the World Bank.

During the current 2008-2012 cycle, UNDP is continuing its efforts to improve monitoring and evaluation mechanisms with the strengthening of the national statistical system. The effectiveness of these planned activities is low, with a number of limiting factors still to be overcome. Indeed, despite the production of certain reports for the monitoring of the MDGs, it is clear that the cancellation of the donor meeting programmed for 2011 is an illustration of the absence of reliable data on poverty and also the inadequacy of monitoring and evaluation in general by the programme participants. The INDS (see Box 2), the reference document for the socio-economic policy of the country, has not been evaluated because of the absence of some of the pre-requisite information, particularly the poverty profile (the survey started in October and the first results were expected in December 2011).

However, with the Support for the INDS and Costing of the MDGs programme under way, UNDP is considered by the Secretary of State for National Solidarity as a key partner. The stakeholders recognize that the progress made in the application of the INDS would not have been possible without UNDP support. The same partners have reservations concerning the NEX system, which, in their opinion, limits the response of the Government within the framework of the same project. There has been weak acquisition of this by a vast majority of the Government's partners as a result of a lack of vigorous capacity building measures. In this context, the persons the evaluation team met recognized that they were mostly working in a semi-NEX in practice. Consequently, the national appropriation and sustainability of the results obtained are not guaranteed.

Despite the financing it has received, the DISED is struggling to produce validated surveys and reports within acceptable time-frames. This situation seems to have two main causes: the inadequacy of its human resources (three statistical engineers and two technical assistants) and the lack of a statistics production culture in the various stakeholder environments, namely, the private sector, civil society and the financial and technical partners. This status quo can also be partially explained by the postponement of the donor round table¹⁴, for which the Government has been a keen advocate, regarding the financing of the INDS. This round table, scheduled for early 2011 has been postponed to 2012, due to a lack of reliable poverty data for Djibouti, where the last comprehensive survey of the subject dates from 2002.

The sustainability of the activities that have been funded, notably thanks to the availability of expertise, is compromised by the lack of statisticians.

RESULT: IMPROVING THE INCOMES OF THE POOREST PEOPLE

To achieve this result, UNDP has provided support for microfinance (see Box 3), which is

considered to be the most accessible means for improving the living standards of the poorest people. All the partners and persons interviewed unanimously considered this support to be decisive. Introduced around the year 2000 by NGOs, the first microfinance structure was created in 2005 with financing from donors such as the IFAD and the AfDB. It should be noted that a preliminary microfinance project by UNDP, which was not included in the 2003-2007 programming, has shown interesting results. It played a role as a catalyser for microfinance by leading to funding from the AfDB. Thanks to these initial activities, two state agencies were created – the Social Development Fund and Credit and Savings Societies (*Fonds social de Développement and Caisses Populaires d'Epargne et des Crédits/CPEC*). For the Government, this was an opportunity to support social poverty-reduction measures in the regions of the country. With the creation of the ADDS in 2007, the sector rapidly grew and was structured. UNDP's support here focused on management and capacity-building within the ADDS and the CPECs.

Box 3. Microfinance: An Instrument for Poverty Reduction

In the first PRSP (2004-2006), like with the INDS, the Government focused its poverty reduction policy on the development of microfinance, coupled with the development of income-generating activities and the promotion of female entrepreneurship, benefiting the most vulnerable sectors of society. Since 2005, UNDP has worked with the Government, providing its expertise in technical and institutional areas to allow the CPECs to quickly develop their financial ranges.

These important actions have laid the firm foundations of a microfinance development strategy, and organized a nascent sector with the aim of ensuring its sustainability. In addition, UNDP support has meant that a legal, regulatory and institutional framework applicable to the subsector of microfinance could be drawn up, as well as an institutional framework which serves to regulate microfinance activities in Djibouti through the creation of a group at the Djibouti Central Bank.

UNDP support has been considerably greater during the 2008-2012 programme. With the support of specially recruited international experts, the institutional and technical capacities of the microfinance structures have been strengthened. A number of savings and credit societies have been created in Djibouti and in the regions of Ali Sabieh and Tadjourah. Management tools, including operations handbooks, accounting procedures and a business plan, have been put in place. In addition, the technical executives who were recruited and the managing bodies have also received training in management techniques and participated in two study trips to Benin and Rwanda.

(continues)

¹⁴ Two round tables have been organized to date: The first in 1983 in Djibouti and the second in 1997 in Geneva.

(continued)

Box 3. Microfinance: An Instrument for Poverty Reduction

These actions have undoubtedly helped to make the network of CPECs denser across the country, strengthening its credibility and financial viability and allowing micro-loans to be widely available to the population.

The impact of the development of microfinance on the lives of beneficiaries has been generally positive and the effect in terms of poverty reduction is substantial. The number of beneficiaries has risen from 1,200 in 2008 to 11,500 in 2011, more than 80 percent of whom are women. In 2011 an estimated 800 million FD of loans have been distributed since the microfinance institutions became CPECs, with related savings standing at 200 million FD. According to a survey carried out in 2010 by the ADDS, 82 percent of the loans were used to create income-generating activities and encouraged borrowers to make savings, while the average repayment rate stands at more than 95 percent.

Today the authorities appear to want to develop microfinance that would benefit populations living in remote rural areas with the aim of generating integrated local development. This ambition raises the question of whether the CPEC, which are highly specialized and have specific requirements, are capable of efficiently meeting the needs of these complex and multidimensional populations.

The results of these actions, generally appreciated by beneficiaries, allowed a regulatory environment to be created with monitoring and supervisory mechanisms that are favourable to the development of the activity. This has led to a corresponding promotion of lending to a wider public. The institutions that have been created, the CPECs, have adequate, effective and, above all, assimilated management systems. There is some concern about the lack of CPEC business plans and the sometimes-inadequate abilities of the management teams. The target population is mostly made up of women, some 95 percent, and the level of loan repayment is more than satisfactory. Beneficiaries generally appreciate the services that are offered although they dislike the high rates of interest. Efforts remain to be made in terms of strengthening beneficiary capacities and also in terms of supporting the CPECs to achieve financial autonomy. The impact on the living standards of beneficiaries is impossible to assess because of a lack of impact studies.

It is important to underline the programme of support for the national employment, Training and Professional Insertion Agency (ANEFIP

– *l'Agence Nationale de l'Emploi, de la Formation et de l'Insertion Professionnelle*), created with the aim of implementing the employment policies and programmes of the INDS. As a result of this support, the strengthened bodies of the ANEFIP generate more employment opportunities, while the denser network of CPECs across the whole country encourages a wide distribution of micro-credit, which allows more vulnerable and young people to increase their income and take charge of their lives.

RESULT: STRENGTHENING REGIONAL CAPACITIES AND GRASSROOTS COMMUNITIES

The efforts made here are very pertinent while the effectiveness of the activities carried out is average. In terms of the subsidiary effects that were targeted to achieve these objectives, their success rate remains limited. The evaluation team notes that there have been few consultation frameworks created with the exception of the Project of Support to Local Community Development (PADCL – *Projet d'Appui au Développement des Collectivités Locales*) for which plans have been drawn up.¹⁵

¹⁵ See the 'support for decentralization' subsection in the Governance section.

In terms of local development of planning tools that take into account the gender dimension, the creation of regional branches of the Ministry for the Promotion of Women should be commended. These exist and operate but the gender focal points cannot achieve their full potential due to a lack of adequate techniques and procedures to follow. The same can be said about the ministerial departments in the capital where it was noted that the designated persons are not only under-skilled but also poorly positioned in the organization chart, far from the decision-making bodies.

In terms of sustainable funding, the absence of real local taxation meant that most of the support during 2008-2012 was used to design planning documents. The beneficiaries interviewed all suggest that these documents were drawn up on a participatory basis, and are instruments that advocate for funds for local development. Those who went on study trips felt that they helped to broaden outlooks and share experiences. It should be noted that without the creation of a real local taxation, the sustainability of the funding of local communities is far from guaranteed. Despite these efforts, the interviews showed that employees of the regional and local bodies do not have the necessary knowledge of development planning, the programming of income-generating activities or the preparation of project files, budgets and social mobilization.

Furthermore, the same can be said for the sustainability of activities undertaken during the previous cycle in 2003-2007 to strengthen the regions. Other than awareness-raising efforts, no concrete local action to improve the living conditions of local populations has been noted. This has an impact on the effectiveness of the measures, which remain average with many activities postponed to the following period.

In short, the success of capacity-building activities in the regional and grassroots communities is conditioned by a number of parameters that

may be unrelated to UNDP. In relation to this, it should be reiterated that regional development planning is a recent objective for the country. The challenge will be to shift from a tradition where the economy is essentially concentrated in the capital to a real dynamism and autonomy in the regions. This is a learning process that must get under way in order to combat poverty. It requires not only real political will but also a pragmatic increase in human resources in the regions. At the same time, investment will be needed to strengthen the links between the Ministry of Interior, the main actor in terms of coordination, and the other elements of the administration, namely the sectoral ministries and the decentralized technical services.

RESULT: ENVIRONMENT AND GENDER

UNDP's activities regarding the environment mainly focus on strengthening the capacity of local communities in the management and conservation of natural resources (land and water). During the 2003-2007 programme cycle, the majority of the work consisted of writing documents, particularly studies and framework documents for attracting resources and sectoral project matrixes. The activities that have been carried out are very pertinent and their achievements have been appreciated by beneficiaries who recognize the positive impact on their capacities. They have been relatively effective as the objectives have been reached and FFEM (French Fund for the Global Environment) funding has been awarded within the framework of the PPROMES-GDT¹⁶ project (French ODA and the European Union). Generally, the sustainability of contributions has been low, mostly because of the serious water shortages at Day, and inadequate specific training measures, which would allow the development and the dissemination of technical capacities in the areas of mobilization and conservation of surface and ground water, the sustainable management of natural resources and community organization.

¹⁶ *Projet sur la Mobilisation des Ressources en Eau et Gestion Durable des Terres* (Project for the Mobilization for Water Resources and Sustainable Land Management).

Effectiveness is considered to be average, as a result of the delays in receiving FEM and FFEM funding. Disbursement of FFEM funding was delayed and the amounts released were limited, which resulted in the postponement of a certain number of priority activities. Similarly, the delay in FEM funding resulted in a delay in forming the coordination team at Tadjourah and Dikhil.

UNDP scored highly with the promotion of gender in the regions. There has been notable support for the creation and operationalization of branches in the regional capitals. However, the gender concept has not always been assimilated so the chances of these branches working in the long term are compromised. Here, the cross-disciplinary approach has not been fully understood, as the actions are always performed physically by the representatives, via the focal points, rather than substantially (impact in terms of strategic decisions). This approach demands a presence that can be considered as superficial because it does not lead to an integration of the gender aspect, as emphasized by the people involved.

RESULT: CRISIS MANAGEMENT AND HIV/AIDS

In terms of crisis prevention, UNDP-Djibouti seems to be very reactive to emergencies and provides the Government with support. The 2003-2007 cycle was punctuated by a series of interventions using TRAC funds (less than USD 100,000 each time) designed to help Djibouti address a series of problems, including droughts, avian flu and a variety of catastrophes. This section is dominated by the major project funded by the European Union for the reconstruction of housing in the regions affected by the 1991-1994 conflict (see Box 4). Nevertheless, its pertinence has been weakened as a result of the delay in formulating the project. The project in question started ten years after the end of the civil war. It would have been wiser to act immediately after the conflict ceased. However, the actions carried out are considered to have been very effective and all the stakeholders interviewed have confirmed this. The actions of UNDP were particularly appreciated for the support provided in adapting the project to the local situation and the subsequent changes in financing. The effectiveness was lessened because of delays and overspending.

Box 4. Rebuilding Destroyed or Damaged Housing

After a period of armed conflict accompanied by massive population displacement and the destruction of assets, the Government put in place a process to encourage displaced people to return to and resettle in their home environment, particularly in the north and south-east of the country.

This vision of recreating an ideal living environment involved repairing and rebuilding the housing and infrastructure that had been destroyed or damaged. With the Government, UNDP (the executing agency) and the European Commission, the "rebuilding of housing that was destroyed or damaged in the conflict zones" project was put in place with funding from the European Union completed by UNDP's TRAC fund. The initial design of the project was based on self-building but this was unsuitable in the context of zones affected by conflict, where there was great poverty, and particularly when the beneficiaries were widows and orphans.

When the project started to run behind schedule, the steering committee made the adjustments needed for it to operate correctly. These adjustments involved supplying qualified labour to compensate for the weaknesses in the project design and to take charge of supplying materials and water to sites that were difficult to access.

With 342 houses rebuilt and repaired, offering optimal conditions of safety and hygiene for their inhabitants (with a fence, a kitchen and toilets), the steering committee observed that the project objectives had been reached. UNDP coordination on this project had been exemplary for its flexibility and the high degree of cooperation between the parties (the Government, donors and beneficiaries).

Regarding the fight against HIV/AIDS, according to the evaluation report of the Anti-Poverty Programme (2006)¹⁷, UNDP's actions during the 2003–2007 cycle acted as a catalyst. They significantly contributed to improving the national policy to combat this pandemic, particularly in the regions, by supporting (i) the creation of a functional and operational Permanent Executive Secretariat, (ii) the development and implementation of a national action plan and regional plans (intersectoral strategic framework) and a management and monitoring system. Assistance in preparing a list of projects resulted in the signature of funding agreements with other donors.

However, once again, the absence of a monitoring and evaluation system is to be deplored (possibly due to a shortage of human resources) as well as poor communication between the executive secretariat and the coordination team.

In the current period, the lack of synergy between the services supporting HIV/AIDS and others funded by UNDP, particularly in the area of poverty reduction, compromise their sustainability. This leads certain partners to observe that, for this period, UNDP strategy with regard to this pandemic is not visible enough. It is important to mention that UNDP's support in terms of advocacy towards religious and traditional leaders is considered to be particularly pertinent.

SUMMARY OF OBSERVATIONS ON POVERTY REDUCTION

UNDP's choice of poverty reduction objectives has been generally pertinent. The effectiveness of the projects implemented and ongoing is generally average. Their sustainability is considered to be weak for the various reasons mentioned above.

Other limitations in the programming of objectives are clear, for example, the difficulty in measuring the real impact of the actions on the living conditions of the populations. Regarding the stated objective of strengthening communities,

mention should be made of the weakness of basic training to help the poorest people manage themselves. In terms of the private sector, which is crucial for employment and thus has a direct impact on the living condition of the populations, the effectiveness is practically zero as the programme has yet to be launched, as a result of structural problems. These problems are the direct consequence of the strategic recommendations dictated by the IMF and the World Bank in terms of combating poverty, which accord little importance to the private sector and employment. In this global environment, the social sectors get most of the attention and the funding. It is in this context that UNDP, unfortunately, lost interest in promoting the private sector. In doing so, it failed to fulfil its role of upstream adviser, because in Djibouti, as is often the case, poverty is closely related to unemployment. The people interviewed highlighted UNDP's lack of interest in the question of the private sector and development. Nevertheless, the organization of the first National Employment and Business Creation Forum on 28 and 29 November 2010 means that the question of employment returned to prominence.

In terms of activities targeting the poorest people (increasing their income) UNDP support of microfinance institutions, which was greatly increased, has been decisive. However, the evaluation team cannot measure the impact due to a lack of studies in this area.

The gender dimension remains poorly understood in the two programme cycles, as there was no cross-sector approach. With the exception of the support of the Ministry for the Promotion of Women at a regional level and training for members of parliament, the evaluation report (2006) underlines the absence of a gender dimension in the fight against poverty in 2003–2007. However, another isolated action is noted regarding the housing programme, which includes a gender dimension, with housing being adapted to better meet female needs.

¹⁷ UNDP, Cabinet of the Prime Minister, 'Poverty Reduction Evaluation Report', Djibouti, December 2006.

4.2 DIRECT CONTRIBUTIONS TO GOVERNANCE

The area of governance has been the subject of a number of activities throughout the two programme cycles. During the 2003-2007 cycle, UNDP's work sought to contribute to the following results:

- Improved administrative governance;
- Greater recognition and consideration of human rights in development plans and in civil society in general;
- Capacity for decentralized development planning and community participation put in place.

The 2008-2012 cycle was placed under the aegis of capacity building for all actors to allow them to play their full part in the democratic and decision-making process. To achieve this, UNDP's work continued in the following areas:

- All actors (Government, parliament, private sector, regions, civil society) take part in the formulation and implementation of development policies;
- The monitoring and evaluation mechanisms of the development policies are functional and effective;
- There is greater promotion and protection of the rights of populations, particularly children and women.

Thus, the majority of the activities carried out during the previous period related to a "programme of support for strengthening national capacities for good governance", broken down into three sub-sections: (i) institutional development, (ii) local governance, (iii) development and the promotion of the private sector.

The same subsections or actions of an identical nature were continued during the second period under review, namely:

- Support for political governance (support

for parliament, elections, the promotion of human rights, etc.);

- Support for economic governance (national statistical system, strengthening planning and monitoring and evaluation mechanisms, support for the National Agency for the Promotion of Investments and the Office of the General State Inspectorate (Inspection Général d'État – IGE), etc.;
- Support for the leadership of women;
- Support for the development of local communities.

The two periods under review were punctuated by important events in the country's history in terms of governance. The first cycle saw the decentralization project develop, and ended after the first regional elections were held in March 2006. The last year of the cycle coincided with the Municipality of Djibouti taking office on 30 December 2007. It also saw the proclamation of the INDS by the Head of State. It is important to note that the second period saw the organization of the presidential election and the formation of the new government in May 2011.

The objectives set for the programme cycles were ambitious but pertinent. However, the desire to strengthen the capacities of all actors (Government, parliament, private sector, regions and civil society) to play a greater role in the formulation and implementation of development policies limited the expected results from the outset, as a result of the budget available from the UNDP country office. Similarly, certain activities currently under way in the various components are the continuation of actions launched in the previous cycle such as the programme supporting decentralization.

Overall, the results achieved have only been averagely effective and it is difficult to forecast their sustainability. The effectiveness of projects that have been carried out is a little more than average. This illustrates the inadequate knowledge of the areas that were targeted and the ex-ante

setting of objectives that were sometimes impossible to achieve for exogenous reasons. The ADR team also observed that the lessons were not adequately learned from the errors of the previous cycle.

RESULT: CAPACITY BUILDING OF ACTORS (GOVERNMENT, PARLIAMENT, PRIVATE SECTOR, REGIONS AND CIVIL SOCIETY)

Strengthening the State and its various bodies (ministries, Parliament, etc.) with the aim of stimulating better participation in the political exercise is one of UNDP's prime objectives in terms of governance. Here it involves supporting political governance which, therefore, involves strengthening the capacities of civil society and the institutions produced by local elections.

For the previous period, pertinent interventions continued with the objective of strengthening Parliament (see Box 5), public administration and also the political, institutional and legal frameworks with the aim of promoting transparency, accountability and integrity in public office. While the section relating to the National Assembly produced satisfactory results, support for the electoral process was not effective, as the Government of

Djibouti did not request the support. The public administration section was a failure as only the outline of a general plan was produced.

Other tangible results were achieved, particularly regarding the coding and harmonizing of legal and regulatory texts. At this level, as is underlined in the governance programme evaluation report¹⁸, the Government of Djibouti has *contributed greatly and positively to the performance of the specific aspects of the programme. This includes activities relating to the collection and harmonization of texts, supervised by the Government General Secretary, or those relating to the creation of the Office of the State Inspector General, under the authority of the Prime Minister.*

Other very pertinent programmes were launched during the 2008-2012 cycle, but results are not always forthcoming. Following on from progress that has already been made, it should be noted that UNDP produced satisfactory results at the National Assembly and also with the Ministry of Justice.

Analysis of interviews showed that UNDP had been an exemplary partner for Parliament. The activities implemented were judged to be

Box 5. The Modernization of the National Assembly

From the 2003-2007 cycle, UNDP-Djibouti was particularly active in the area of parliamentary governance. This area can be considered a modest success, as its expertise (recruitment of two national executives, including one specialized in gender, international consultants to assist with strengthening capacities of members of parliament and parliamentary employees, study visits and field visits) was decisive in giving more weight to Parliament in the sense of rebalancing the relationship between the executive and the legislature.

The National Assembly refreshed its image by putting in place a communications programme to reinforce the transparency and information provided to citizens. Consequently, plenary debates and government questions were filmed and broadcast live at peak time on the television.

In addition, using UNDP funding, an Internet site was created that brings together essential information, including the National Assembly's mission, its members, the work of its commissions, etc. UNDP funding was also used for training sessions about drafting and interpreting texts, and about using IT equipment and the Internet. The site includes the texts of draft bills and the minutes of parliamentary debates, making it possible to follow the debates of commissions. Similarly, the production of minutes of discussions in commissions has been updated.

¹⁸ UNDP, 'Programme of Support for National Capacity Building for Good Governance: Evaluation Report', June 2007.

satisfactory and, as a result of the assistance, the National Assembly is now better equipped to fulfil its role of supervising the executive with ever-increasing means at its disposal. UNDP supported the National Assembly in its policy of strengthening operational capacities, particularly by funding study visits and exchanges of experience for a number of elected representatives.

UNDP continues to provide material support to the National Assembly. This support is fundamental, as it helps to raise the level of the institution and thus enhance democracy in Djibouti. Many members of parliament have been able to widen their experience by forming links with other members, through the creation of parliamentary groups.

All this helps to strengthen the requirement for transparency and responsibility. Assistance given to the IGE and the launch of the African Peer Review Mechanism (MAEP – *Mécanisme Africain d'Évaluation par les Pairs*) have also helped to achieve this. An institutional mechanism for implementing the MAEP was created by decree on 30 August 2009 and a president was appointed. The IGE has received support as part of South-South cooperation.

The activities carried out with the Ministry of Justice (see Box 6), including the capacity building of magistrates and more, have been appreciated and the evaluation team noted very few criticisms.

With regard to strengthening the private sector and civil society, very few results have been noted. These two strategic players in the demographic process have been left on the sidelines in this area. This one of UNDP's great failures and much greater future involvement is recommended.

Strengthening the capacity to formulate, plan and monitor policies and programmes integrating the gender dimension is still a pertinent objective that has not been addressed. In Parliament, the women's caucus has yet to be created. To this can

be added the reduced effectiveness of the gender focal points within the Government. As many of those interviewed have stressed, the designated people are not the best skilled for it.

RESULT: CAPACITIES IN PLANNING DECENTRALIZED DEVELOPMENT

With the first regional elections held in March 2006, decentralization (see Box 7), although being a leading political project for the Government of Djibouti, has started off with some problems. The scheduled assistance from UNDP in strengthening the planning capacities of local actors is very pertinent. It provides steady support for the investment in new regional powers, with the view of establishing good governance.

The local governance subprogramme planned for the 2003-2007 cycle, and which focused on the training of elected officials and regional executives, was not implemented. The evaluation report of the governance programme emphasized the following: *"Training carried out as part of the Capacity 21 programme – which could have included some of the actions planned for this component of the programme to support the strengthening of national good governance capacities – was appreciated but did not impact on elected officials as a result of the repeated postponement of regional elections."* This is one example of the many delays that were caused either by the Government or by donors (including UNDP), which served to reduce the results achieved by the governance programme during the two cycles. The same evaluation highlights the weak political commitment (unresolved problem of national counterparts) and the slowness of the process. The other factors that can explain these delays are the financial constraints and the poor capacities of the human resources involved. Having said this, it would seem that the PADCL for the following period was not able to capitalize on the efforts made and learn the appropriate lessons.

The new PADCL project in the second cycle, targeting the pilot regions of Obock and Dikhil, is affected by blockages at a number of levels, including some at the UNDP level. There is

Box 6. Legal and Judicial Reform and Human Rights

Recommendations from the 2002 General Assembly of the Judiciary included improving access to justice by encouraging local justice via the creation of new courts, the creation of a single judicial system in order to remove the two-tier legal system (integrating personal status courts and ending customary courts), the transformation of the Supreme Court into an Court of Cassation and the decentralization of the justice system. On the basis of these recommendations, UNDP positioned itself to provide specific support via a good governance programme.

In 2009, the institutional reforms that had been carried were in line with expectations: the Supreme Court had been reformed to become a Court of Cassation with a strengthening of human resources, materials and the provision of new premises, the Appeal Court and the Court of First Instance had taken into account the changes and had installed ad hoc chambers, the Chamber of Accounts and Budgetary Oversight had become a court in its own right and the Administrative Litigation Council had become an effective Administrative Tribunal.

In parallel, the organization of the central administration of the Ministry of Justice has been reformed via a revised organization chart, the creation of a General Inspectorate of Judicial Affairs and new specialized divisions. The new law created bodies whose aim was to monitor the action of the jurisdictions from the perspective of their effectiveness and ensure better visibility for the role of the ministry (dissemination of law) both at home and abroad. A website funded by UNDP is now operational.

For a long time, the creation of a prison service has been a key government priority in order to better respect international standards of detention. A body of prison wardens was created and trained in the respect for human rights. The UNDP project provided support for the administration of the prison population by dematerializing the prisoner management system with a visual recognition procedure that enables rapid identification.

The improvement of working tools was also essential. Consequently, with the support of UNDP, work to codify and harmonize laws and particularly the development of a civil code and a civil procedure code was carried out under the supervision of an international expert. In the same process of supporting the legal system, the new penal code and the penal procedure code integrating an important number of international instruments ratified by the Republic of Djibouti were placed into domestic penal law. The final documents are currently before Parliament for adoption and promulgation.

UNDP, with the support of the regional office of the High Commission for Human Rights in Addis Ababa, has helped the country to make up much lost ground in this area. On 10 December 2008, the Head of State emphasized the importance that he accords this issue by presiding over the celebration of the 60th anniversary of the Universal Declaration of Human Rights. A three-year action plan was quickly put in place by identifying the next steps, namely the pursuit of the policy of ratifying human rights instruments, meeting obligations that emanate from these instruments, particularly those relating to the preparation of regular reports, the creation of a mechanism to promote and protect human rights, strengthening the analytical capacity of actors including government representatives, the judicial administration, institutions like the National Human Rights Commission (CNDH) and civil society, strengthening the cooperation with multilateral partners like the High Commissioner for Human Rights, the UN Human Rights Council, the Human Rights East Africa Regional Office and the coordination with the UN.

The CNDH was created and reports relating to the Universal Periodic Review have been written and submitted to the supervisory bodies. At the time of writing (October 2011), a number of documents have been submitted, the last to be examined being the CEDAW in July. International bodies are currently processing three others. However, the constraint arises from the multitude of actions to be carried out here, which has slowed achievements, due to the inadequate availability of human and financial means for UNDP and its partners. Tangible achievements have been made although not all at the same speed (for example, the preparation by the CNDH of a brochure entitled 'Know your rights' (Connaître vos droits), translated into the national languages, and distribution of three periodical reports submitted to the treaty bodies, the development of a specific human rights manual for the training of police, and integration of human rights into the training programme of the national police).

Box 7. Decentralization: A Priority That Is Struggling to Succeed

The promotion and the strengthening of decentralization and the participation of citizens in issues that concern them remains one of the major themes of the poverty reduction strategy of the INDS. In the area of local governance and participatory development, the Government's main objectives target the reduction of regional disparities and the development of the participation of people in the formulation of policies affecting them.

A decentralization process was launched in 2003 with the enactment of a law on decentralization and the status of the regions. The first regional and local elections were held in March 2006 and regional councils were formed, with an initial provision of facilities that were quite substantial, including new premises, furniture and IT equipment, funded by the State and with the assistance of donors including UNDP.

To support the implementation of decentralization, a Project of Support to Local Community Development (PADCL: *Programme d'Appui au Développement des Collectivités Locales*) was put in place in 2007 by UNDP. It seeks to provide technical support for the Decentralization Department within the Ministry of Interior to define a strategic vision of decentralized local development and establish guidelines, tools and procedures for implementing decentralization.

At the same time, specific support was provided to two regions (Dikhil and Obock) to strengthen the capacities of institutions and local organizations in the planning and implementation of development programmes and projects. Based on the experiences of this pilot scheme, the aim is to learn precious lessons about the role of communities in local economic development, the relationship between the decentralized bodies and the deconcentrated technical services, the participation of grassroots community organizations and private economic development agents.

The institutional framework of the Regional Development Coordination Committees and the Local Development Committees was designed with the two regional branches created in Dikhil and Obock. In addition, the local elected representatives were trained in essential activities such as organization, administration, budget and funding, civil status, and planning and trips were organized to exchange experiences, offering greater participation and increased responsibility for the elected representatives and the populations.

Consequently, three major activities were carried out at the local development level, including a National Regional Development Policy, Regional Development Plans and Multi-year Investment Plans, drawn up and approved in the five regions of the country. As for the funding mechanism, it has been the subject of innovative pilot schemes via the financing of micro-projects at the local level with the involvement of donors like the AfDB.

Notwithstanding this progress, this programme has had great difficulty in getting started because of the way it was to work, while there was instability due to the lack of concrete institutional and operational mechanisms plus a number of shortcomings which seriously delayed the implementation of planned activities. In reality, despite the support of UNDP, the Government had neither the necessary strategy for implementing decentralization that would have allowed it to identify the interrelation between the various stakeholders, nor a procedure handbook to define the methodology to be followed.

also the problem of national resource persons who have received inappropriate training. The beneficiaries interviewed consider that the formation they received was imposed upon them, rather than it meeting the locally expressed needs. However, the positive experience of the very successful Arta project leads the evaluation team to believe that by removing the real obstacles – and in particular by ensuring the necessary will

from individuals and the Government – and by working on building capacity in regional players, decentralization can achieve the desired potential. During the interviews it was clear that the slow progress, bordering on inertia, was often due to misunderstandings between the various people involved in the project, as much by UNDP as by the partners. This further illustrates that the quality of the relationships is a deciding factor in the

success of a project and can contribute to removing obstacles in a constructive manner.

To improve the whole decentralization process, the political will needs to be much more pronounced. This is why the Ministry of Interior is in the process of drawing up a Ten-Year Decentralization Plan, plus a three-year action plan to consolidate it. The arrival of the ex-Prefect of Arta at the head of the Ministry of Interior suggests a promising future for the continuity of the PADCL.

RESULT: PROMOTION AND PROTECTION OF THE RIGHTS OF POPULATIONS (WOMEN AND CHILDREN)

In terms of the promotion of the rights of populations and particularly those of women and children, the decision to support the Ministry of Justice and the Ministry for the Promotion of Women was very pertinent. It is here that UNDP registered its greatest success in terms of governance.

Thanks to achievements with the Ministry of Justice, UNDP has made a huge contribution to ensuring that the protection of individuals is strengthened. UNDP was involved in the human rights issue as early as 2003. Faced with a shortage of partners, UNDP took a position on legal and judicial governance, particularly by providing real assistance in human rights-related questions in the two successive cycles. It has constantly been raising awareness within the Government about legal and judicial governance questions and in response to urgent demand, was involved to strengthen the rule of law in Djibouti. However, given the scale of the needs of the Government of Djibouti, the UNDP office does not have the technical capacity or the financial resources needed to completely satisfy the expectations of the country.

During the 2003–2007 cycle, the expected results for the Promotion of Human Rights section did not materialize. According to the evaluation report of the governance programme (2007), *“the programme was hindered during this period by the fact that it is a sensitive area and was considered*

a non-priority by the Ministry in charge... The forum did not meet expectations, the action plan was not drawn up and none of the planned awareness-raising activities were implemented. The anticipated regional funding was never used”.

However, the 2008–2012 cycle saw significant progress made in terms of the promotion of individual and human rights. As to what would have been the situation of justice without the support of UNDP, there is no question that much of the progress currently achieved would not have occurred. One of the strongest points underlined by people from the Ministry of Justice is that Djibouti has recently started to submit to all the Universal Periodic Reviews.

Despite its limited resources, UNDP has helped to improve Djibouti’s judicial environment, which has had beneficial effects on economic governance and on poverty, with justice brought closer to those it impacts. Everyone interviewed highlighted this aspect. UNDP has, therefore, successfully optimized its action in this area that had been given little attention and working with a ministry with a very low budget.

UNDP was the catalyst and the long-term partner in technical and financial terms of the Ministry for the Promotion of Women. It also initiated and strengthened the promotion of women and women’s leadership. Similarly, it actively participated in the institutionalization of gender thanks to support for the appointment of Gender Focal Points (GFPs). To this end, it supported the provision of material goods (equipment) and the training of GFPs, these being people designated by each ministry. Its actions in supporting this ministry with a very small budget were decisive. The department has even successfully submitted the national report of the CEDAW thanks to UNDP funding (expertise, delegation visit, etc.).

Unquestionable achievements have been made particularly in the drafting of important laws (such as the law on quotas) and the institutionalization of the gender approach through the ministerial GFP mechanisms. Here the effectiveness

is satisfactory but the sustainability is not totally certain given that there are still a limited number of GFPs, as discussed above.

SUMMARY OF INTERVENTIONS IN THE AREA OF GOVERNANCE

UNDP's choice of objectives in the area of governance is pertinent. However, effectiveness is low because only the support to Parliament was appreciated; the support for elections and for public administration, with the exception of an outline general plan, did not produce tangible results.

The effectiveness of the activities carried out to date is considered to be quite weak as a result of a combination of a number of blockages (including at UNDP and PADCL level). Other limits have been identified, concerning the provision of human resources and training that is not considered pertinent because it is imposed from above (in the PADCL project). In terms of disaster management, UNDP has been criticized as a member of the United Nations team with regard to coordination, except for upstream. It is noted that very few results have been recorded regarding the involvement of civil society and the private sector in the formulation of development policies.

The overall effectiveness of this component remains average. It should be noted that the problems cannot always be attributed to UNDP.

The actions made to strengthen the overall objective of governance do not appear very sustainable for a number of reasons. With regard to the GFPs, the evaluation team noted a weak assimilation of the concept of gender and its cross-sector application, and this appeared to be generalized, including with United Nations partners and the Government.

ENVIRONMENT AS A CROSS-CUTTING ISSUE

The results of specific environment-related projects financed by the country office over the past two cycles were summarized earlier in this document. The ADR also considered the country

office's effectiveness in dealing with environment as a cross-cutting issue over this same period.

Overall, the country office appears to have been reasonably effective at dealing with environment as a cross-cutting issue in the current cycle, with some qualifications. The same experienced officer who handles the poverty reduction portfolio also handles environmental issues. This helps ensure that these two key issues are not dealt with in isolation from one another. The most important environmental financing in this cycle – in support of the Day Forest – is well integrated within a broader development initiative. It is delivered through the Ministry of Agriculture in the context of a much larger programme focused on improving resource management and aims to contribute to a result of 'strengthened natural resource management capacities among local institutions and communities'. A similar cross-cutting approach to environmental sustainability is evident in the (slowly) emerging Marine Protected Areas project. While this project will be implemented with the Ministry of Environment, it proposes to mobilize support within the country's tourism sector as well.

In environment and the closely related area of adaptation to climate change, UNDP has emerged as the Government of Djibouti's key interlocutor among international partners. They have played a valuable role in resource mobilization, most notably for the Day Forest and the emerging Marine Protected Areas project. This role appears likely to continue as the country office is well advanced in the process of accessing up to USD 4.5 million for climate change adaptation activities in the next cycle. Since early 2011 the country office has had an officer devoted full time to climate change adaptation issues, working on resource mobilization and providing policy support to the Government.

The privileged position of the country office vis-à-vis national environment and climate change adaptation issues gives them the opportunity to promote systematic integration of environmental and adaptation considerations into government

programming decisions. For example, they are in a position to promote proper environmental and adaptation screening mechanisms within the Government's microcredit programmes as well as into the overall programming of the INDS. It is not clear whether such systematic screening has taken place.

The key Government of Djibouti agency responsible for promoting environment as a cross-cutting issue is the Ministry of Habitat and the Environment (MHE). Despite their resource mobilization achievements, the country office's relations with this ministry, from the latter's perspective at least, has been weak in recent years. The ministry does not perceive the country office as being very active in environmental issues. The MHE, for example, has been trying for several years to get UNDP support for an update of their national environmental action plan; despite promising early feedback on this issue, the MHE has received no further word from the country office for the past two years. This perception may also exist, in part, because the MHE has not played a significant role in the Day Forest project and because of continued delays in launching the Marine Protected Areas project. It is likely a function of the country office's limited human resources; with many other calls on their time, sustaining a dialogue with the MHE has not been a priority. With greater human resources the country office would be in a position to involve the MHE in a sustained dialogue and to play a more active role in the national dialogue on environment and adaptation issues. Both functions are necessary given that UNDP is the recognized leader among international partners for both environment and climate change adaptation.

4.3 THE INDIRECT CONTRIBUTIONS OF UNDP

The indirect contributions to national development from the UNDP-Djibouti programme involve support for aid coordination and the mobilization of funds.

SUPPORT FOR AID COORDINATION

UNDP traditionally plays the role of aid coordinator in each country. It plays this role both within the United Nations team in Djibouti but also with donors. Compared with the neighbouring African countries, the donor community is not particularly large, with many partners present more for strategic and geopolitical reasons. Thus, despite its comparative advantage in this area, UNDP find it difficult to coordinate the aid. A recent disaster risk management report underlined the difficulties experienced in trying to coordinate the various UN agencies in Djibouti.

This poor coordination has a negative effect on the overall effectiveness of the actions planned by donors, whether from the UN or not. The aim is still to avoid having a number of development agencies carrying out parallel or repeated activities. The danger of activities being repeated and, therefore, becoming redundant has been emphasized by many of the UNDP partners interviewed. Communicating and systematically sharing evaluation reports and reviews is an essential support for evaluation but also indirectly for coordination. The failings on this subject have been mentioned many times.

In this context, where aid coordination is underdeveloped, there was a glimmer of hope with the new approach of the Government in favour of better aid coordination. The collaboration of the Ministry of Economy, Finance and Planning (MEFP) and the Ministry of Foreign Affairs and International Cooperation (MAECI) in the area of aid coordination is promising. Indeed, with the Government reshuffle, the cooperation situation is currently undergoing changes. Development assistance has been returned to the MEFP and will be managed by the External Financing Department while the political aspect remains with the MAECI. This new configuration emphasizes the clear distinction between the upstream role of the MAECI and the downstream role of the MEFP.

UNDP could provide support for the operationalization of this new organization by helping to establish a clear definition of the complementary roles and a constructive division of responsibilities between the two departments with the Secretariat of State in charge of National Solidarity and other technical departments.

The resident UNDP coordinator helps with a more or less active role within the United Nations team. The MDG costing exercise carried out under the authority of UNDP in 2011 was an important step, as the Government now has a sort of 'roadmap' for preparing the donor round table. In areas where it has the comparative advantage, the coordination exercise can be more successful with the support provided to the INDS, gender and decentralization.

With limited human resources and a small budget, which is chronically overrun, the aid coordination capacities of UNDP are compromised. This is illustrated by the recurrent remark from the various partners interviewed who underlined the lack of regular project progress reports. This aspect emphasizes the importance of developing synergies between the coordination and monitoring and evaluation aspects.

MOBILIZING FUNDS

In the period in question, 2003-2011, the direct mobilization of resources was modest but significant. UNDP successfully played a role of catalyst for funds for a certain number of initiatives such as microfinance, gender and the evaluation of the costs to achieve the MDG targets in Djibouti. Nevertheless, it must be emphasized that the weakness in coordination affects the optimal mobilization of funds.

Furthermore, the many expectations of the Government of Djibouti's partners, which are not always fulfilled, generate a feeling of frustration. According to the majority of observers, in trying to please everybody, UNDP raises expectations of project funding which do not come to fruition. To this we can add the delays in

providing responses to the partners who formulated the projects.

Djibouti's unusual situation, with its paradoxical double classification of LDC/Middle Income Country within the Arab countries, does not make the task of fundraising any easier.

The search for funding should be widened and the regional card used more. In this new area, UNDP-Djibouti can make the most of the country's status as a model of peace and a strategic entrance to a dynamic region to target and attract regional funding.

4.4 THE STRATEGIC POSITIONING OF UNDP

In this part of the report, the UNDP programme will be assessed overall on the following points:

- Pertinence and ability to adapt;
- Promotion of the values of the United Nations in terms of human development.

The questions of visibility and communication and the comparative advantages of UNDP in Djibouti will also be addressed.

PERTINENCE AND RESPONSIVENESS

The interventions funded by UNDP and its partners are generally pertinent. They stem from the UNDP programme frameworks (CPD, CPAP), and are perfectly aligned with the Government's various strategic planning documents, namely the PRSP and now the INDS. This alignment of the frameworks with the strategic objectives of the country is justified because the country provides support for their formulation and sometimes their implementation. Nevertheless, the pertinence is lessened because some of the selected themes, such as employment, have not benefited from sustained support. Consequently, although theoretically UNDP strategies are pertinent, implementing them has proven to be rather challenging, which demonstrates that the upstream feasibility of the

thematic interventions has not been studied in enough detail.

Overall, UNDP is very sensitive to the Government and tries to respond to the priority of the moment. Although they have not always been finalized, the themes that have been chosen correspond directly to the needs of the population. The close working relationship between UNDP and the partners of the Government of Djibouti allows it to be in touch with national priorities. This also allows UNDP to promote the fundamental values of the United Nations. However, in its choice of priorities, certain areas of strategic importance in the fight against poverty have been overlooked. The private sector and its role in the creation of employment is the most significant absence. This could suggest a weakness in UNDP's ability to analyse the country's priority problems.

Similarly, the agency's desire to satisfy a large number of partners at the same time with short-term answers jeopardizes the achievement of more long-term objectives. Consequently, it is remarkable that the country office is overwhelmed by management requirements – short-term and often emergency demands – to the detriment of achieving the objectives of the long-term plans. In these conditions, the effectiveness of its interventions is limited by the excess of work it creates and a team that lacks technical capacities. As stated above, this situation encourages a feeling of frustration in partners, particularly because of the chronic lack of financial and (competent) human resources.

Concerning the mobilization of resources, it is easier for UNDP to intervene upstream but the Government would prefer rapid, tangible results that are visible in the field. UNDP, therefore, finds itself required to strike the right balance between upstream and downstream activities to make its actions more effective and visible in the short term.

The majority of those interviewed emphasized the strategic role of UNDP upstream, in the

design, strategy, formulation and institutional areas, and this is the organization's comparative advantage. During the same interviews, emphasis was placed on the need to be close to the field (downstream) for certain aspects, including the environment. Indeed, in the past an operational presence was considered profitable in terms of mobilization of funds. Certain partners, such as the EU, Japan and Germany, exert pressure for UNDP to be present downstream, even with only a small team.

All of these pressures, whether up or downstream accentuate the pressure on the limited resources of the country office.

PROMOTION OF UNITED NATIONS VALUES

UNDP's assistance in promoting human rights in relation to poverty reduction is recognized by those interviewed. By working closely with the Government of Djibouti on themes such as gender, governance, environmental sustainability, fairness and transparency, UNDP is effectively promoting the values of the United Nations.

COMPARATIVE ADVANTAGES OF UNDP

UNDP-Djibouti has found its niches. They correspond to its international mandate: gender, environment, and governance. Naturally, UNDP had no problem in positioning itself on these themes which had few advocates in Djibouti. For the future, the organization should strengthen its intervention in the sectors where it acts as a catalyst.

In addition, monitoring and evaluation of political frameworks to combat poverty (within the INDS) is an area where UNDP could take leadership. Its positioning here would help to make this theme a priority and this would increase the visibility of the country office. In addition, monitoring and evaluation serves as a link between the downstream – where the results of policies and strategies are visible – and the upstream, where they are developed and corrected. This underlines the importance of strong monitoring

and evaluation systems. For example, the housing project successfully adapted a poorly defined initial idea, modifying the project's approach in order to better meet the needs identified in the field. The PADCL project, which has experienced so many difficulties, could perhaps benefit from a similar approach, provided more vigorous technical monitoring was available.

UNDP can strengthen the organizational capacities of civil society, particularly by providing technical assistance to associations in the area of project design, implementation and monitoring.

VISIBILITY AND COMMUNICATION

Throughout the ADR assignment, a recurrent theme was UNDP's poor communication and lack of visibility. Everyone interviewed emphasized that UNDP seemed to be overshadowed by more active development partners such as UNICEF, the WFP and USAID. The basis for this observation is UNDP's remarkable absence from the national sphere, to such an extent that many interviewees made remarks such as: "we never see it on the television anymore"; "it isn't involved in any major activity anymore".

This poor communication should be rectified particularly with donor partners in order to preserve the relationship for related programmes. The priority here is to strengthen communication capacity in the country office. Strengthening capacities in monitoring and evaluation both within the office and also with government partners will help to improve communication.

The personality and charisma of the resident representative has an impact on the intervention of UNDP and the importance of its activities. Consequently, everybody interviewed agreed that there had been a sharp improvement in its

image since the arrival of the current resident coordinator.

Notwithstanding partners' observations regarding UNDP's limited communication capacities and visibility, lobbying in various ways in support of UN values was an important dimension of the country office agenda during the period considered. For example, in 2004, a "Millennium Development Goals Caravan" was created, consisting of UNDP officers, government staff and national consultants recruited for the purpose. Drawing on a budget from headquarters, through a variety of meetings, theatre in local languages and mini-concerts, the MDG Caravan travelled the country for three weeks to explain and promote the MDGs to local authorities, schoolchildren and civil society organizations.

UNDP-Djibouti also contributes each year to the activities of UN Day and the Day of the Campaign to End Poverty, in coordination with the overall UN Country Team. Budgets range from USD 5,000 to 10,000 and activities vary each year but include senior government officials officiating over song, dance and theatre events based on a unique leitmotif established each year. The same approach is followed for UNDP support to other national-level events such as International Women's Day and World Human Rights Day.

Finally, UNDP supports the national parliament through its projects and this body organizes parliamentary caravans made up of parliamentarians who travel throughout the country to inform electors of the roles, functions and activities of parliament and to report on the decisions it has taken. The Government of Djibouti now directly contributes a substantial portion of the roughly USD 40,000 budget of this programme.

CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSIONS

Conclusion 1. Direct contributions to Djibouti's development have been, and remain, highly relevant.

Most of UNDP-Djibouti's programme activities during the period 2003-2011 were highly relevant, carefully situated first within the UNDAF and now within the evolving national poverty reduction strategy that UNDP has supported since its inception. This was even more consistent during 2008-2012.

Conclusion 2. UNDP programmes in poverty reduction have been more effective in achieving the intended results than those in governance.

Effectiveness was significantly greater among those activities aimed at poverty reduction, crisis recovery, environmental management and HIV/AIDS than among those aimed at strengthening governance.

On poverty, crisis recovery and environmental management: The development of housing for vulnerable populations affected by Djibouti's civil war of the 1990s, while it came long after the cessation of hostilities, proved to be a remarkable success and alone accounted for over a third of UNDP's disbursements during this period. This was a programme that suffered originally from serious design flaws inherited from the international financing partner, then benefited from UNDP's responsiveness and flexibility to local sensitivities in the face of emerging imperatives. The HIV/AIDS programme was genuinely catalytic. UNDP support for the launching of the country's microfinance programme was another remarkable success.

On governance: Apart from support to parliamentarians and the Capacity 21 initiative, there appear to have been fewer comparable successes (e.g., on microfinance, support to statistical systems) within the governance programme, where governance targets were overly ambitious in the context of Djibouti's political evolution and UNDP targets echoed the Government's own stated objectives.

In the 2008-2012 cycle, the effects of UNDP's interventions appear once again likely to be greater within the poverty reduction programme than within the governance programme. Support for microfinance appears to be an unalloyed success – catalysing the emergence of a well-financed and expanding national system. On the other hand there has been more difficulty ensuring the establishment of necessary financing mechanisms for local development led by decentralized authorities. Even within the governance programme, UNDP support for the development of the country's statistical capacity and judicial system has been invaluable.

Conclusion 3. The efficiency of UNDP's support for Djiboutian development has been uneven.

The pace of progress in some activities of the Djibouti programme has not matched initial plans – reflecting lower levels of efficiency than originally assumed. Yet activities in the earlier programming period have given rise to some of the most striking accomplishments of the subsequent one – support for microfinancing, the National Statistics Office, the INDS, rural environmental management. However, chronic difficulties inherited from the earlier period continue to reduce the efficiency of UNDP's activities

such as support for monitoring and evaluation of national programmes and for decentralized development.

Conclusion 4. UNDP programmes have not fully addressed social and environmental sustainability requiring cross-cutting approaches, use of integrated strategies, enhanced capacity development.

Most initiatives across the 2003–2007 programme were limited by the absence of cross-cutting approaches. Inherently cross-cutting issues like gender, environmental sustainability and HIV/AIDS were often treated in isolation rather than being consistently integrated across programmes. For instance, the impressive gains at the Day Forest can only be consolidated over the long term if they are accompanied by an affordable long-term source of water that will be able to meet the multiple needs of local users. The equally impressive development of the National Statistical Office can likely only be sustained – in the face of strong local demand for statisticians – when a national supply of suitably trained statisticians can be assured. Local development initiatives spawned by local governments will likely only become significant once these local authorities can achieve sustainable sources of revenue. The absence of an entrenched local tradition of monitoring and evaluation threatens to undermine the sustainability of results in many areas. So – as in the previous cycle – does the ongoing need for more systematically cross-cutting approaches to inherently cross-cutting issues such as gender, environmental sustainability and HIV/AIDS. The longer term sustainability of UNDP-supported judiciary reforms, on the other hand, appears more securely assured.

Here again, the effects of these interventions – at least at this stage in the programme cycle – appear likely to be greater within the poverty reduction programme than within the governance programme. There has been more difficulty ensuring the establishment of necessary financing mechanisms for local development led by decentralized

authorities. Even within the more uneven governance programme, ongoing UNDP support for the development of the country's statistical capacity and judicial system has been invaluable. The factors that have been key in affecting UNDP's effectiveness in general are subject not only to constraints facing the country office discussed below, but also to limitations and rivalries among their national partners, which undermines results.

This range of sustainability issues will, therefore, need to be addressed before the end of the current phase of programming, or at the very least within the upcoming country programme currently being designed.

Conclusion 5. UNDP has been less successful in its indirect activities or aid coordination and resource mobilization, than in its project interventions.

Support for Aid Coordination

The Government of Djibouti has been actively developing its aid coordination capacity, with support from UNDP and others, but the function remains relatively undeveloped compared with many other countries in sub-Saharan Africa and is largely confined to sectoral coordination mechanisms. The evaluators found that perceptions among other international partners of UNDP-Djibouti's aid coordination results are unduly critical, based on unrealistic estimates of what is possible in the Djiboutian context and on comparisons with other African countries where governments' aid coordination structures are more elaborate and effective. Djibouti's geopolitically strategic location results in a unique relationship with its major aid partners, who may be more preoccupied with security issues than with development priorities. This complicates traditional approaches to aid coordination and UNDP's potential to play a key support role within it.

Within the UN Country Team there is a perception that coordination could be stronger, along with less competition among team members.

Yet there is also great appreciation for the role of the current Resident Coordinator (RC), who has proven to be a high profile and highly effective spokesperson for the UN in Djibouti and the region. Together with this RC, the UNDP office provides an anchor for the UN team in Djibouti while promoting more proactive approaches to critical issues such as gender, decentralization and support for the INDS process.

The human and financial resources of the UNDP office are chronically overstretched. This is reflected in the inconsistent nature of monitoring, evaluation and reporting which in turn diminishes coordination capacities. Strengthening of monitoring, evaluation and reporting capacities on the other hand, both within UNDP programmes and among their government partners, could serve in turn to improve capacities for aid coordination.

Support for resource mobilization

Direct resource mobilization results over the period 2003–2011 have been modest but significant, considerably exceeding the value of the programmes' core resources in each period. The most important results have been for downstream activities related to post-war recovery, decentralization and promoting environmental sustainability. Indirect resource mobilization has also been significant, notably in catalysing support for the microcredit programme. More recently, UNDP support for detailed costing of the achievement of Djibouti MDG targets is expected to bolster their capacity to mobilize the necessary resources for these targets.

Some UNDP partners within the Government of Djibouti have been disappointed by what they see as UNDP's insufficient aid mobilization results. They may have unrealistic expectations of what is possible, based on comparisons of Djibouti's aid mobilization results with those of governments in poorer, more populous and crisis-stricken African neighbours. To some extent these unrealistic expectations may also have been generated by UNDP-Djibouti's own propensity to overstate its capacities for aid mobilization in a

competitive context and inauspicious global economic climate.

Djibouti faces unique challenges to aid mobilization as a 'middle income least developed country' with a modest population. Some partners within the Government of Djibouti feel their aid mobilization would be more effectively supported if the UNDP country office were supported by UNDP's Regional Bureau for Africa (RBA). While there are certainly many more countries in RBA which share the challenges of Djibouti, this could also mean greater competition for limited resources. The advantages of a transition to RBA would likely be more apparent than real. Greater advantage would probably be realized through more vigorous resource mobilization within the Regional Bureau for Arab States and efforts to enhance cooperation between the two regional bureaux.

Conclusion 6. UNDP-Djibouti has positioned itself well, though it often lacks sufficient resources to take advantage of its positioning.

UNDP-Djibouti has consistently, and increasingly, supported UN values through programmes that actively promote equity, especially gender equity, human rights and environmental sustainability. The relevance of these programmes has been assured by careful alignment within successive national poverty reduction strategies. The country office has gone considerably further in the current programme cycle by making support for the development and improvement of the INDS a central part of UNDP programming. On the other hand, UNDP's responsiveness has been constrained by the limitations of the country office's human and financial resources, a source of widespread frustration among government partners.

UNDP-Djibouti has had far more success with resource mobilization for downstream activities – such as support to Djibouti's post-war reconstruction, rural environmental management and decentralization – than for more upstream, policy- and strategy-oriented activities. Yet

UNDP-Djibouti has considerable comparative advantage in supporting upstream activities. This has justified an ongoing UNDP presence in both up- and downstream activities even though their presence in both contributes to the chronic overstretching of the country office's human resources capacities.

In terms of national versus direct execution, UNDP-Djibouti has been committed to the transition to the national execution (NEX) modality during the two programming periods considered. There is now only one major programme still being implemented under the full DEX modality, as required of the funding agency. Yet government partners' capacities to implement under the NEX modality remain limited. As a result, UNDP-Djibouti is still involved in a labour-intensive 'semi-NEX' system.

5.2 RECOMMENDATIONS

FUTURE UNDP PROGRAMME IN DJIBOUTI

Recommendation 1. Implement a carefully selected mix of upstream and downstream activities. The programme should continue supporting both types of activities, in part because UNDP-Djibouti has a proven comparative advantage in implementing upstream activities but has demonstrated far greater success in mobilizing resources for downstream activities. The other reason for supporting both upstream and downstream activities is that they can and should complement each other. Being an effective upstream partner in areas such as promotion of women's rights, support for human rights or support for the national poverty reduction strategy requires familiarity with the downstream reality and vice versa.

Recommendation 2. Reduce the thematic scope of UNDP's programmes in Djibouti. The country office will continue to face contradictory pressures, on the one hand, to be responsive to unexpected government requests that may be tangential to ongoing programming priorities, while on the other hand ensuring significant

contributions and a high degree of professionalism and expertise in all areas of ongoing programming. In making future choices the country office needs to recognize the inevitable tradeoffs it faces and the extent to which – in the view of many partners – they are already overextended. Entering into new lines of business without the necessary financial and human resources to do them effectively runs a high risk of diminishing UNDP's reputation in the country.

Recommendation 3. Maintain a careful focus on well-defined areas of concentration. UNDP-Djibouti has developed a well-defined core of activities within which it has demonstrated its comparative advantages and established credible, valuable niches. These include: support for gender issues and women's rights in particular; support for human rights and judiciary reform in particular; support for promotion of environmental sustainability and for adaptation to accelerated environmental change; and support for the process of planning, implementing, monitoring and evaluating a national strategy for poverty reduction.

Recommendation 4. Reduce presence in areas where UNDP has been catalytic in the past and other players have now come on board. UNDP-Djibouti's decisive role in launching the national system of microfinancing is a good example of an area where the country office should maintain a presence in the national dialogue but not necessarily anticipate a significant future role in programming now that other, more substantial sources of financing are available.

Recommendation 5. Carry out careful analysis of programming areas subject to chronic problems before making any further commitments. The most obvious example is UNDP-Djibouti's longstanding and often troubled experience with support for the national decentralization policy. Despite some early successes, the main UNDP programmes of support for decentralization have been plagued with difficulties, perhaps in part as a result of the DEX mode of implementation at the EU's request. It is worth remembering that

activities financed by the EU in the preceding phase of programming also experienced substantial initial problems which the partners managed to overcome, eventually resulting in UNDP's most substantial contribution in that period. The PADCL and related activities may eventually also turn around. If they remain mired in difficulties for the remainder of the 2008-2012 programme, however, then UNDP-Djibouti should carefully reassess its strategy for supporting decentralized development in Djibouti. Alternatives to consider may include support for financing/resource mobilization for local development plans that have emerged but have not secured financing under the decentralization programme.

AID COORDINATION AND RESOURCE MOBILIZATION

Recommendation 6. UNDP should help to achieve potential synergies between effective aid coordination and effective monitoring and evaluation (M&E) of national development efforts, under clear government leadership. Both aid coordination and M&E are areas requiring strong government leadership if they are to succeed. To do so, both require effective sharing of information among committed partners playing clearly understood roles and responsibilities. Aid coordination (and resource mobilization) can be strengthened with support from effective, transparent M&E, and vice versa. Unfortunately it is also true that weak aid coordination contributes to less effective M&E and vice versa. This presents an important challenge to the Government of Djibouti for which the potential payoffs are substantial. Aid coordination and M&E are areas where UNDP-Djibouti also has much to gain from enhanced government performance and where UNDP support to government efforts could make a critical contribution to achieving the potential synergies.

Recommendation 7. Support aid coordination while contributing to promoting more collaboration among government partners. UNDP is committed to ongoing support for aid coordination in a context where the main government

partners are still defining their respective roles. It will be important to ensure that the design of any future UNDP support for aid coordination involves careful consultation with all relevant government partners to ensure that UNDP's support will contribute to diminishing residual competition among government partners, helping them to define compatible and complementary roles within the national system of aid coordination.

Recommendation 8. Support resource mobilization efforts by promoting Djibouti as a peaceful role model, regional hub and strategic entry point to a dynamic region. UNDP should vigorously support Djibouti's efforts to build on its unique niche in the Horn of Africa. This role is already recognized, for instance, in Djibouti's role as headquarters for the region's Inter Governmental Authority on Development and the European Union's decision to develop its regional strategy from its Djibouti office. Akin to the dynamic city states of southeast and southwest Asia, much of what Djibouti does in the coming decade can be seen as providing a constructive role model in a contentious neighbourhood while also enhancing critically needed regional stability and infrastructure.

MANAGING UNDP'S PROGRAMME

Recommendation 9. Continue to enhance the country office's human resources through all possible means. While UNDP-Djibouti is inevitably subject to global budgetary constraints, there is scope for enhancing the country office's human resources. An even more vigorous 'management for change process' and subsequent changes to the staffing arrangements, Junior Professional Officers (JPOs) or other sorts of interns, and more United Nations Volunteers can all help bolster the country office's capacities to meet diverse demands. Emerging bilateral partners with a growing presence in Djibouti – Germany and Japan in particular – and neighbouring countries with a strong interest in Djibouti who have sometimes sponsored experts

and JPOs in the past – such as Saudi Arabia and the United Arab Emirates – may prove promising sources of support for enhancing the country office’s human resources.

Recommendation 10. Put in place modalities for a transition from DEX to NEX that would reduce misperceptions of inflexibility.

In maintaining the DEX modality despite implementation challenges with government partners, UNDP-Djibouti has left itself open to complaints of inflexibility. The solution could lie in providing a combination of enhanced training and technical assistance to national partners until such time as they have demonstrated the capacities to function within the full NEX modality.

Annex 1

DOCUMENTS REVIEWED

- Banque Africaine de Développement, 'Djibouti Stratégie pays 2011-2015', Juin 2011.
- Banque Africaine de Développement, 'Evaluation des besoins en renforcement de capacités de gestion des finances publiques et de suivi-évaluation de l'INDS', Rapport, Janvier 2011.
- Banque Africaine de Développement, 'Facilité en faveur des Etats Fragiles (FEF): Directives pour l'administration du programme d'assistance technique et de renforcement des capacités au titre des opérations du pilier III', Juillet 2010.
- Banque Africaine de Développement, 'Rapport combiné d'achèvement du document de stratégie pays axé sur les résultats (DSPA) 2007-2010 et de la revue de portefeuille 2010', Décembre 2010.
- Banque Africaine de Développement, OECD, PNUD, 'Perspectives Economiques en Afrique, Note pays Djibouti', 2010.
- Banque Africaine de Développement, OECD, PNUD, 'Perspectives Economiques en Afrique, Note pays Djibouti', 2011.
- Banque Mondiale, Analyse économique du secteur de l'Education à Djibouti – réalisations 2002-2008 et perspectives 2009-2015', Juillet 2009.
- Banque Mondiale, 'Programme d'Appui à l'Enseignement Primaire – PAEP', Janvier 2010.
- Bonifas Christian, 'Appui au renforcement des capacités nationales pour une bonne gouvernance', for UNDP Country Office, June 2007.
- Christian, Remy with Carton Mohamed Robert, 'Evaluation du Programme d'appui à la lutte contre la Pauvreté (PLCP)', for Prime Minister's Office and UNDP Country Office, December 2006.
- Décret n°2006-0098/PR/MID du 05 avril 2006 fixant les indemnités allouées aux représentants locaux modifié par le Décret n°2007-0212/PR/MID du 10 novembre 2007.
- Décret n°2007-0099/PR/MID du 03 Mai 2007 portant transfert et répartition de compétences entre l'Etat et les Collectivités Territoriales, Mai 2007.
- Economist Intelligence Unit, 'Country Profile 2008 Djibouti', 2008.
- Economist Intelligence Unit, 'Country Report 2011 Djibouti', 2011.
- Fonds Monétaire International, 'Aide-Mémoire des consultations au titre de l'article IV', FMI Mission de Novembre 2010.
- Fonds Monétaire International, Département des finances publiques, République de Djibouti, 'Préfiguration d'un cadre budgétaire à moyen terme 2012-2014', Aide-mémoire, Février 2011.
- Fonds Monétaire International, 'Djibouti- Note sur le programme', Facilité Elargie de Crédit, Janvier 2011.
- Government de Djibouti, 'Forum National sur la Femme Djiboutienne/Bilan de la stratégie nationale d'integration de la femme dans le developpement, Rapport Final', Djibouti, February 2010.
- Government de Djibouti, 'National Initiative for Social Development (INDS) (Strategic Framework), Report on implementation of the PRSP 2004-06', April 2008.

- Government of Djibouti, 'Politique Nationale Genre (2010-2020), Intégration d'une stratégie de réduction des risques VIH/SIDA', July 2011.
- Government of Djibouti, 'Politique Nationale Genre 2010-2020, Analyse de la situation du genre a Djibouti', Djibouti, April 2011.
- Government of Djibouti, 'Poverty Reduction Strategy Paper', April 2008.
- Government of Djibouti, 'Poverty Reduction Strategy Paper', March 2004.
- Government of Djibouti, 'Rapport Final de l'Enquête Djiboutienne auprès des Ménages', Direction de la Statistique et des Etudes Démographiques, 2002.
- Government of Djibouti, 'Rapport Final de l'Enquête Djiboutienne à Indicateurs Multiples (EDIM)', Direction de la Statistique et des Etudes Démographiques, 2007.
- Government of Djibouti, 'Rapport Final: Evaluation a mi-parcours du projet d'appui a la reinstallation des déplacés', 2005.
- Government of Djibouti, 'Rapport National sur le Developpement Humain 2004', 2004.
- Government of Djibouti, 'Rapport National sur le Developpement Humain 2007', 2007.
- Government of Djibouti, 'Rapport sur la Coopération pour le développement pour la période 2004-2008', December 2010.
- Government of Djibouti, 'Requete de financement de la Stratégie Nationale de Développement de la Statistique (SNDS)', Djibouti, August 2010.
- Government of Djibouti, 'Stratégie nationale de développement de la statistique, Schema directeur de la statistique 2011-2015', Djibouti, (undated).
- Government of Djibouti, 'Stratégie nationale de développement de la statistique, Schema directeur de la statistique 2009-2013', Djibouti, (undated).
- Government of Djibouti and Government of Cote D'Ivoire, 'Ouverture de la filière des Techniciens Supérieurs de la Statistique (TSS) a l'Université de Djibouti: Aide mémoire de la mission d'évaluation des conditions de mise en œuvre', Djibouti, June 2011.
- Government of Djibouti and UNDP Country Office for Djibouti, 'Accord entre Djibouti y PNUD', 1979.
- Government of Djibouti and UNDP Country Office for Djibouti, 'Manuel des procédures d'exécution nationale pour les opérations mises en œuvre dans le cadre de l'approche harmonisée des remises d'espèces aux partenaires d'exécution', May 2007.
- Government of Djibouti and UNDP Country Office for Djibouti, 'Plan d'Action du Programme de Pays 2008-12', December 2007.
- Government of Djibouti and UNDP Country Office for Djibouti, 'Projet d'appui a la decentralisation et aux collectivités locales Rapport final d'évaluation', Djibouti, September 2010.
- Government of Djibouti and UNDP Country Office for Djibouti, 'Rapport de Revue Finale 2004-2007, Djibouti', (undated).
- Grehal, Jean-Yves, 'Rapport final, Projet DJI/03/002, Mission auprès de l'Assemblée nationale', UNDP, June 2007.
- Houmed-Gaba Maki Houmed-Gaba, 'Rapport Annuel 2009', Projet d'appui au renforcement des capacités du Ministère des Affaires Etrangères et de la Coopération Internationale en matière de coordination et de gestion de l'aide, UNDP, December 2009.
- International Food Policy Research Institute, 'Economics of the Arab Awakening: From Revolution to Transformation and Food Security', May 2011.
- International Monetary Fund, 'Country Report, Djibouti: Poverty Reduction Strategy Paper', April 2008.

- International Monetary Fund, 'Djibouti-Poverty Reduction Strategy Paper-Annual Progress Report', December 2010.
- International Monetary Fund, 'Djibouti-Programme Note, Extended Credit Facility', April 2011.
- International Monetary Fund, 'Djibouti-Staff Report for the 2010 Article IV Consultation, Second and Third Reviews Under the Three-Year Extended Credit Facility, Request for Waiver of Nonobservance of Performance Criteria and Rephasing of Disbursement, and Extension of the Extended Credit Facility Debt Analysis', December 2010.
- International Monetary Fund, 'Djibouti-Staff Report, First Review Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility', September 2010.
- Joint IMF-World Bank, 'Debt Sustainability Analysis, 2010', December 2010
- Konate Sekou Tidiani, Various documents 'Rapports Annuel 2008, 2011', Projet Programme d'appui à la statistique et à la planification, December 2009.
- Loi N°122/AN/05ème L du 01 novembre 2005 portant sur le statut de la Ville de Djibouti.
- Loi N°174/AN/02/4ème L du 07 juillet 2002 portant Décentralisation et Statut des Régions modifiée par la Loi n°139/AN/06/5ème L du 04 février 2006.
- Marché Commun de l'Afrique Orientale et Australe, 'Enquête du COMESA sur l'environnement des affaires à Djibouti, Perception des investisseurs', Juillet 2009.
- Ministère de l'Economie nationale et l'enseignement supérieur, Cadre Budgétaire à moyen terme, Juin 2009.
- Ministère des Finances, Budget de l'Etat 2010, December 2009.
- PADCL, Rapport sur l'état d'avancement', June 2010.
- République de Djibouti, 'Décret n° 2010-0038/PR/MEFPCP portant publication des résultats du 2ème recensement général de la population et de l'habitat de 2009', 25 Mars 2010.
- République de Djibouti, 'Rapport PEFA, Public Expenditure and Financial Accountability', Mars 2011.
- Secrétariat d'Etat à la Solidarité Nationale, 'Rapport intérimaire sur les OMD à Djibouti', Décembre 2008.
- Système des Nations Unies (SNU) à Djibouti, 'Document de Programme Conjoint', (undated).
- UN and League of Arab States, 'The Third Arab Report on the MDGs 2010 and the Impact of the Global Economic Crises', 2010.
- UN, 'Bilan Commun de Pays, République de Djibouti', January 2007.
- UN, 'Bilan Commun de Pays', May 2002.
- UN, 'Conseil d'administration du Programme des Nations Unies pour le développement et du fonds des Nations Unies pour la population', Programme de Djibouti (2008-2012), June 2007.
- UN, 'Programme de coopération entre les Nations Unies et la république de Djibouti, revue a mi parcours', January 2011.
- UN, 'UNDAF Djibouti 2003-07', July 2002.
- UN, 'UNDAF Djibouti 2008-12', June 2007.
- UN, Executive Board of UNDP and UNFPA, 'UNDP Strategic Plan, 2008-2011, Accelerating Global Progress on Human Development', July 2007.
- UN, Executive Board of UNDP and UNFPA, 'UNDP Strategic Plan, Second Multi-Year Funding Framework, 2004-2007', July 2007.
- UNDP, 'Audit of UNDP Country Office in Djibouti, Report n. 716, Office of Audit and Investigation, Regional Audit Centre for Arab States, December 2011.

- UNDP, 'Partners Survey, All UNDP by Organization Type', March 2008.
- UNDP, 'Partners Survey, Djibouti by Organization Type', January 2010.
- UNDP, 'Partners Survey, Djibouti by Organization Type', March 2008.
- UNDP, 'Partners Survey, Djibouti by Organization Type', March 2006.
- UNDP, 'Partners Survey, Historic Data by Region', March 2006.
- UNDP, 'Programme of Support for National Capacity Building for Good Governance: Evaluation Report', June 2007.
- UNDP, 'Projet de descriptif du programme de pays pour Djibouti (2008-2012)', March 2007.
- UNDP, 'Revue a mi-parcours du programme pays 2008-2012, Resume Analytique', December 2010.
- UNDP Country Office for Djibouti, '00049149 Gouvernance', Project Document, 2008.
- UNDP Country Office for Djibouti, '00059609 Gouvernance', Project Document, (undated).
- UNDP Country Office for Djibouti, 'Analyse sectorielle transversale en vue d'identifier les secteurs prioritaires pour le Scaling up des OMDs', (undated).
- UNDP Country Office for Djibouti, 'Appui a l'ADDS', Project Document, (undated).
- UNDP Country Office for Djibouti, 'Food Security', Project Document, (undated).
- UNDP Country Office for Djibouti, 'Le tableau de Bord de Suivi des OMD', March 2008.
- UNDP Country Office for Djibouti, 'OMD Les Objectifs du Millénaire à Djibouti', 2005.
- UNDP Country Office Djibouti, 'Programme d'Appui à la Décentralisation et aux Collectivités Locales.
- UNDP Country Office for Djibouti, 'Rapport OMD 2010 Djibouti', September 2010.
- UNDP Country Office for Djibouti, 'Rapport sur les Objectifs de Développement pour le Millénaire à Djibouti', Décembre 2003.
- UNDP Country Office for Djibouti, 'Resident Coordinator Annual Report 2009, Matrice', 2009.
- UNDP Country Office for Djibouti, 'Resident Coordinator Annual Report 2009, Letter', 2009.
- UNDP Country Office for Djibouti, 'Results Oriented Annual Report 2008', 2008.
- UNDP Country Office for Djibouti, 'Results Oriented Annual Report 2009', 2009.
- UNDP Country Office for Djibouti, 'Results Oriented Annual Report 2010', 2010.
- UNDP Country Office for Djibouti, 'Results Report 2006', 2006.
- UNDP Country Office for Djibouti, 'Results Report 2007', 2007.
- UNDP Evaluation Office, 'ADR Method Manual', New York, January 2011.
- UNDP Evaluation Office, 'Assessment of Development Results: Evaluation of UNDP Contribution: Ethiopia', New York, 2006.
- UNDP Evaluation Office, 'Assessment of Development Results: Evaluation of UNDP Contribution: Somalia', New York, July 2010.
- UNDP, Cabinet of the Prime Minister, 'Poverty Reduction Evaluation Report', Djibouti, December 2006.
- UNIDO, 'Formulation d'une stratégie de développement industriel et du secteur privé Djiboutien', Rapport final, Etabli pour le Ministère de l'Industrie de Djibouti, Février 2008.
- United Nations, 'Ébauche de programme de pays avec le Djibouti (2003-2007)', Novembre 2002.
- World Bank, 'Crisis Response: Employment and Human Capital Social Safety Net', January 2010.

World Food Programme, 'Emergency Food Security Assessment on Populations affected by Drought', Rome, July 2010.

World Food Programme, 'Emergency Food Security Assessment, Rapport sur les marches urbains', Rome, February 2011.

World Food Programme, 'Emergency Food Security Assessment, Rural Areas Djibouti', Rome, July 2011.

World Food Programme, 'Emergency Food Security Assessment, Urban In-depth Djibouti', Rome, February 2011.

World Food Programme, 'Emergency Food Security Assessment, Urban In-depth Djibouti', Rome, July 2011.

World Food Programme, 'Food Security Monitoring System (FSMS), Bulletin 1', Djibouti, August 2010.

World Food Programme, 'Food Security Monitoring System (FSMS), Bulletin 2', Djibouti, March 2011.

Annex 2

PEOPLE CONSULTED

UNDP

Charmarké Abdi Ainan, Programme Assistant

Didan Mohamed, Programme Associate,
UNDP-Djibouti

Giuseppe Belsito, Senior Programme Adviser,
RBAS, UNDP

Harbi Omar Chirdon, Programme Officer,
UNDP-Djibouti

Hassan Ali, Programme Specialist,
UNDP-Djibouti

Hodan A. Haji-Mohamud, RC and Resident
Coordinator, UNDP-Djibouti

Idriss Hared, Climate Change Specialist,
UNDP-Djibouti

Nicole F. Kouassi, Deputy Resident
Representative, UNDP-Djibouti

Sunil Saigal, Deputy Assistant Administrator,
Deputy Regional Director, UNDP RBAS

GOVERNMENT OF DJIBOUTI

Abdallah Dabale, Head of the Steering
Committee, Project Day

Abdourahman Ali, National Director –
Governance, Secretariat General of the
Government

Abdourahman Yonis Arreh, Executive
Secretary, Dikhil Regional Council

Aden Ali Mahamadé, Director of International
Cooperation, Ministry of Foreign Affairs
and Cooperation

Ahmed Awaleh, Secretary of State for National
Solidarity, SESN

Ahmed M. Madar, Executive Secretary,
Disaster Preparedness and Natural Disaster
Management

Aicha Dabar, Member of Parliament for Dikhil

Ali Houmed, Executive Secretary, Obock
Regional Council

Almis Mohamed, External Funding Director,
Ministry of the Economy

Amareh Ali Said, Minister for the Budget

Amina Abdi, Secretary of State for Housing

Baragoïta, National Director, Project Day

Choukri Houssein, Director, Promotion of
Women, Ministry of Women

Dini Abdallah, General Secretary –
Environment, Ministry of Housing and
Environment

Dirieh Y. Hachi, Executive Director, Executive
of the CPEC

Djibril Ismael Cher, Bureau Secretary,
Municipality of Boulaos

Doualeh Mahamoud, Directeur, Secretary of
State, SESN

Halo Aboubaker, Secretary General of the
Ministry of Women

Hassan Darar Houffaneh, Minister of Interior

Hassan Omar, Secretary General Ministry of
Interior

Hersi, Secretary General, Ministry of Justice

Idriss Ali Sultan, DISED

Idriss Arnaoud Ali, President of the National
Assembly

Jean Ralahatra, Adviser, ADDS

Kadar Ismael Guelleh, Director General of the
ADDS

Kadidja Ali Hassan, Coordinator, SESN

Konaté Sekou, DISED

Mariam Hamadou, Director of Economy,
Ministry of Economy and Finance
Mohamed Abdi, Director, Ministry of Women
Mohamed Ahmed Awaleh, Minister of
Agriculture
Nimo Boulhan, former Minister for Women
and Technical Adviser to the Prime
Minister
Ron Osman, Director of Industry, Ministry
of Trade
Zahra Youssouf Kayad, Secretary of State for
National Solidarity, SESN

UN AGENCIES

A. Dinucci, WFP Programme Manager,
Djibouti
Aicha I. Djama, UNFPA Desk Officer
Josefa Marrato, UNICEF Representative
Mario Touchette, WFP Representative in
Djibouti
Omar Mohamed, Security Coordination
Assistant, UN Security Coordination
Office, Djibouti
Toshiko Takahashi, Programme Officer M&E,
UNICEF, Djibouti
Yahaya Issaka B., UNICEF deputy
representative, Djibouti

CIVIL SOCIETY

Degmo Mohamed Issack, UNFD Secretary
General
Kadidja Ali Hassan, Coordinator, SESN
Members, steering committee, Project Day
Mohamed Omar Dabar, former Secretary
General of the Chamber of Commerce of
Djibouti
Said O. Moussa, President of the Chamber of
Commerce of Djibouti

INTERNATIONAL ORGANIZATIONS

Adrien Absolu, Project Officer, AFD
Andy Karas, Representative, USAID
Benoit Vermeersch, 1st Adviser, European
Union
Jocelyn Leveneur, Director of the AFD
Simon Van den Broeke, Head of Division,
Policy and Operations, European Union

Annex 3

EVALUATION MATRIX

Criterion	Key Evaluation Question	Specific Evaluation Questions and Related Indicators
Relevance	<ul style="list-style-type: none"> Has UNDP played a meaningful role in Djibouti's development since 2003? How responsive has UNDP-Djibouti been in realigning its programme to address the changing development perspectives and needs? 	<ul style="list-style-type: none"> Can poverty reduction efforts, including projects/programmes be better linked to national strategies and priorities so as to more clearly be able to achieve MDG objectives? If so, how? How can environment and climate change activities become better linked to poverty reduction, governance, food security outcomes and go beyond GEF-funded activities? What should the new UNDP priority development areas be? (What does the Government want to achieve in terms of development priorities through UNDP?) What should UNDP's activities in its core areas of governance and poverty reduction focus on? How can some specific governance areas be strengthened?
Effectiveness	<ul style="list-style-type: none"> How effective has UNDP been? What outcomes have been achieved in each thematic area where UNDP is active? What were UNDP's contributions to achieving these outcomes? Poverty reduction: Are the most disadvantaged grassroots communities more involved in the process of improving their livelihoods? How? If not, why? Strengthening governance: Have all actors elaborated and implemented development policies in a participatory and transparent manner? How? If not, why? 	<ul style="list-style-type: none"> What has really changed in Djibouti in the last 8 years and what contribution, if any, has UNDP made to this change? What would have been different in Djibouti since 2003 in the absence of UNDP? How can the CO and UNDP programmes become more effective (e.g., balance and representativeness of different groups, skills, functions etc.)? Has UNDP-Djibouti programmes had significant impacts? In what/why/why not? (Also with reference to the 2010 MTR) How effectively has UNDP-Djibouti coordinated UN agencies to 1) mobilize resources for national programmes and 2) to further a human development approach? Are communities identifying and implementing projects that address their needs? Are the <i>coordination groups</i> of development activities open to all development players, including women, youth? Have such <i>groups</i> been <i>created</i> or made increasingly effective? Do local development planning instruments consider <i>gender equality</i>? Are sustainable <i>financing systems</i> established for local communities? Have <i>institutional and local community capacities</i> to manage their natural resources been <i>strengthened</i>? Has the <i>engagement of community leaders and of NGOs</i> in the fight against HIV/AIDS been <i>reinforced</i>? Have <i>incomes</i> of the most disadvantaged people <i>increased</i>? Have <i>microfinance institutions</i> been <i>strengthened</i>? Have <i>income-generating activities</i> <i>increased</i>? Have <i>capacities</i> for income-generating activities been <i>enhanced</i>?

(continues)

(continued)

Criterion	Key Evaluation Question	Specific Evaluation Questions and Related Indicators
Effectiveness		<ul style="list-style-type: none">• Do all players (i.e., the Government, Parliament, the private sector, the regions, civil society) participate in the formulation and implementation of development policies?• Have their <i>capacities</i> been <i>enhanced</i> for the formulation, planning, management and monitoring of policies and programmes that integrate gender equality?• Have <i>transparency</i> and <i>responsibility</i> for implementing development actions been <i>reinforced</i>?• Have civil society and the private sector become <i>more involved</i> in formulating development policy?• Have <i>capacities</i> to prevent and manage natural catastrophes been <i>reinforced</i> at all levels?• Are the <i>mechanisms</i> in place to monitor and evaluate development policies both <i>functional</i> and <i>effective</i>?• Is the <i>national statistical system strengthened</i> and better coordinated than previously?• Is there an effective <i>monitoring and evaluation</i> system of MDG programmes to fight against poverty?• Is there improved coordination of development aid?• Are the <i>promotion and protection</i> of the rights of people, particularly children and women, <i>ensured</i>?• Has the <i>judiciary system</i> been strengthened?• Has the <i>directorate for women</i> been <i>reinforced</i>?
Efficiency	<ul style="list-style-type: none">• How timely and cost-effective has UNDP's assistance been in the delivery of inputs and activities and the achievement of outputs and outcomes?	<ul style="list-style-type: none">• To what extent is UNDP-Djibouti financing activities that are also being financed in parallel by other development partners?• What are the best mechanisms for UNDP to spend resources?• To what extent has the Government facilitated UNDP's work (in terms of substance, operations, etc.) and enhanced the likelihood of its eventual effectiveness in the ground?
Sustainability	<ul style="list-style-type: none">• Are the institutions that have been strengthened with UNDP assistance able to continue to perform their functions to acceptable standards beyond the period of UNDP assistance?	<ul style="list-style-type: none">• What is the Government doing to make investments through UNDP (and other donors) more sustainable?• Have physical outputs such as infrastructure constructed with UNDP support been of sufficient quality and durability?
Positioning	<ul style="list-style-type: none">• How has UNDP positioned itself vis-à-vis the rest of the UN system, the international community, the Government and Djibouti society as a whole?	<ul style="list-style-type: none">• Is UNDP's focus shifting, from a tendency to look more at the political/higher levels and issues, towards increasingly addressing issues at the grassroots level?• What is an optimum balance between upstream/downstream activities? Should UNDP shift its focus in one direction or the other? (Should UNDP shift its emphasis from mainly strategic support towards planning and implementation of more concrete community development and pro-poor activities?)• Should UNDP shift its activities towards greater support of human rights and pro-poor development?

(continues)

(continued)

Criterion	Key Evaluation Question	Specific Evaluation Questions and Related Indicators
Positioning	<ul style="list-style-type: none"> • Has there been effective coordination of UNDP with other UN agencies in common interest areas? • What comparative strengths of UNDP has the programme sought to apply? • How effective has UNDP's positioning been? • How has UNDP's positioning been perceived by the Government, development partners and others? • What should be the positioning of UNDP in the country development environment? 	<ul style="list-style-type: none"> • UNDP-Djibouti is perceived by some as 'still doing things that ought to now be done by others trained locally': How well has UNDP addressed national capacity development needs? Is there scope for UNDP to limit its role to capacity building, as opposed to implementation? • How can the coordination of UNDP with other UN agencies and partners be enhanced? • What has been the actual support provided by headquarters and the regional centre to the Djibouti programme, particularly in terms of facilitating dialogue with national stakeholders about UNDP mandate, identifying and following up strategic entry points, etc.?
Strategies	<ul style="list-style-type: none"> • What overall conceptual frameworks has UNDP applied in supporting Djibouti's short- and longer-term development? • How have UNDP strategies changed in response to shifting needs, national frameworks and planning time-frames? 	<ul style="list-style-type: none"> • How to ensure that UNDP support to better governance will eventually lead to reductions in poverty? • Was the latest CPD correct in focusing in the areas it targeted or in selecting specific themes? • How can development funding, e.g., for food security (also in line with new projects being funded), be mobilized more within a regional context, rather than nationally? • This is a government planning year so the ADR may be used to support national planning and the new UNDAF. It can be used to help reorient some activities on what now are priorities that nobody else is best placed to do than UNDP, link them with better governance, fine-tune and validate them. How to ensure that a number of planned activities can derive maximum benefit from the ADR? E.g.: <ul style="list-style-type: none"> – The forthcoming youth and employment project on capacity building – Climate change and environmental sustainability efforts and projects – Identifying which projects/activities can be closed and what are the gaps – Help target the potential work UNDP may do on elections (it may be well placed to raise awareness and build capacity for parliament elections) – Support the 'mobile justice' initiative and decentralize it (a possible case study) – Identifying whether UNDP has a specific role on HIV/AIDS work in Djibouti

Annex 4

PARTICIPANTS AT INFORMAL FEEDBACK MEETING 4 OCTOBER 2011

Abdi Ismail Hersi, Secretary General, Ministry of Justice

Abdourahman Y. Arreh, Executive Secretary, Dikhil Regional Council

Aden Ali Mahamadé, Director, International Cooperation, Ministry of Foreign Affairs and Cooperation

Adrien Absolu, Project Officer, AFD

Alessandro Dinucci, Programme Officer, WFP

Ali Houmed, Executive Secretary, Obock Regional Council

Benoît Vermeersch, Adviser, European Union

Charmarké Abdi Ainan, Programme Assistant, UNDP

Dini Abdallah, Secretary General, Ministry of Environment

Doualeh Mahamoud, Director, Secretary of State (National Solidarity)

Giuseppe Belsito, Senior Programme Adviser, UNDP-RBAS

Harbi Omar Chirdon, Programme Officer, UNDP

Hassan Ali, Programme Specialist, UNDP

Hodan A. Haji-Mohamud, Resident Coordinator/Resident Representative, UNDP

Howard Stewart, Consultant TL

Idriss Hared, Environment and Climate Change Officer, UNDP

Jean Ralahatra, Adviser, ADDS

Josefa Marrato, Deputy Representative, UNICEF

Kadidja Ali Hassan, Coordinator, SESN

Mariam Hamadou, Director of the Economy, Ministry of Economy and Finances

Mohamed Abdi, Director, Ministry of Women

Nicole F. Kouassi, Deputy Resident Representative, UNDP

Roberto la Rovere, Task Manager, UNDP Evaluation Office

Souraya Hassan Houssein, Consultant NTL

TERMS OF REFERENCE

1. INTRODUCTION

1.1 OBJECTIVES OF THE EVALUATION

The Evaluation Office (EO) of the United Nations Development Programme (UNDP) conducts country evaluations called Assessments of Development Results (ADRs) to capture and demonstrate evaluative evidence of: 1) UNDP's contribution to development results at the country level, as well as, 2) the effectiveness of UNDP's strategy in facilitating and leveraging national effort for achieving development results. ADRs are independent evaluations carried out within the overall provisions contained in UNDP's Evaluation Policy.¹⁹ Based on the principle of national ownership, the EO seeks to conduct ADRs in collaboration with the national Government whenever agreed and possible.

The purpose of an ADR is to:

- Provide substantive support to the Administrator's accountability function in reporting to the Executive Board;
- Support greater UNDP accountability to national stakeholders and partners in the country;
- Serve as a means of quality assurance for UNDP interventions at the country level;
- Contribute to learning at corporate, regional and country levels.

The ADR in Djibouti will be conducted in 2011 towards the end of the current UNDP programme cycle of 2008-2012. The ADR comes at a very appropriate time since there is a new

Government in place since May 2011. Hence, the recommendations may be useful for the new national planning. It will also cover past development interventions during the period of the previous country programme (2003-2007). It will, therefore, provide recommendations to the UNDP Djibouti country office on strategic orientation of future programme and contribute to the preparation of the new UNDP country programme starting from 2012.

1.2 UNDP PROGRAMME IN DJIBOUTI

The UNDP programme during the ADR period (two programme cycles) was structured as follows:

- The 2003-2007 Country Programme was focused on two major themes: a) fight against poverty, including HIV/AIDS, environmental protection, and b) governance and human rights.
- The 2008-2012 Country Programme is developed on the basis of national priorities, the UNDAF, the Strategic Poverty Reduction Paper (PRSP in French) and the INDS framework. It aimed at the following results: 1) fight against poverty and in favour of MDGs by supporting microfinance and local development; and 2) strengthening governance by supporting policy formulation, planning, management and monitoring of policy implementation, democratic governance (power sharing, assessment of democratic governance, etc., also with UNICEF), administrative (development of guidelines, etc.), strengthening the judicial system (especially 'juvenile', and formation

¹⁹ <www.undp.org/eo/documents/Evaluation-Policy.pdf>. The ADR will also be conducted in adherence to the Norms and the Standards and the ethical Code of Conduct established by the United Nations Evaluation Group <www.uneval.org>.

of judges), capacity development for prevention and management of disasters, and enhanced coordination of development assistance. Initially, economic governance was included but was later moved to the African Development Bank. There is also a strong and longstanding support to strengthening national statistics systems²⁰ in terms of capacity and data systems.

Djibouti was one of the last countries to “MDGize” its PRSP (called INDS). This process implied a re-scheduling of the INDS, which was to end in 2012, but will now end in 2015 (the deadline for the MDGs).

Capacity building support on governance was provided to the parliament (organizational audit and reform of commissions), the judiciary (trainings), the civil service (through INAP, a civil servants training outfit, and the IGE. Support to policy setting and the INDS formulation and implementation is a key area of work of UNDP, as well as costing the MDGs, and studying the labour market. The UNDP Djibouti country office also provides commercial and negotiation services to the Ethiopia country office. There is a Joint UN Team on AIDS (JUNTA), as well as an Infectious Disease Joint Committee (*comité conjoint maladies infectieuses* – CCMI) chaired by the Minister of Health which oversees the financial allocations from the Global Fund to Fight AIDS, Tuberculosis and Malaria. The Government has been the main recipient of the fund.

A few UN agencies have set up offices in Djibouti in recent years (FAO, WHO, UNESCO, IMF), and several high-level foreign missions recently visited the country²¹ while regional UN conferences were held in Djibouti suggesting

that the country is getting a higher UN priority both in terms of its development agenda and its humanitarian needs. Non-resident agencies are on a mailing list and are kept informed of UNCT deliberations. The ADR missions met in two rounds with UN agency heads and deputies, from WFP, FAO and UNICEF. They confirmed the current drive to strengthen UNCT coordination, but much remains to be done to further structure this process and deliver greater synergies.

The main national stakeholders for the UNDP programme are:

- Ministry of Foreign Affairs (coordination and liaison, e.g., on UNDAF, CPD/CPAP, etc.)
- Ministry of Economy, Finance and Planning is mandated to plan for development and liaise with the International Financing Institutions with a role in aid coordination. (Yet the government counterpart for UNDP and other UN agencies remains the Ministry of Foreign Affairs.) Within the Ministry of Economy, one reference will be the Secretariat for Aid Harmonization (*Secrétariat à l'Harmonisation de l'Aide – SHA*)
- The State Secretariat of National Solidarity (SESN). This unit is responsible for the INDS; it was given priority and a role in coordination with the ministries. The ADDS prepared the INDS.
- Ministry of Interior (for decentralization support).
- Ministry for the Promotion of Women and Family Planning. This ministry was started with UNDP support. UNDP contributed, for instance, by helping to understand the concept of ‘gender equality’, which became

²⁰ Experts on statistics are very few, are split around government institutions and work on specific projects. UNDP is supporting a foreign expert on statistics, to build the institution and capacity. UNDP also drafted the National Master Plan for Statistics and National Law for Statistics, and supported a national census in 2009. The interest by UN and bilateral centres in joint work on statistics is linked to a dearth of quantitative data and credible national accounts.

²¹ Including High Commissioner for Refugees, Deputy Director of Human Rights Commission, Deputy Regional Director of UNICEF, Executive Director of IOM, Executive Director of World Meteorological Organization, Regional Director of WFP, USG of Department of Political Affairs, USG of UNPOS, USG Darfur, several SG advisers including on legal issues of piracy, Executive Director of UNAIDS, etc.

the basis for the national strategy and increase of women in government.

1.3 SCOPE OF THE ADR

This is the first ADR in Djibouti and the period covered by the evaluation will include the ongoing country programme (2008-2012) and the previous country programme (2003-2007). While the emphasis will be on the ongoing country programme, the ADR will cover ongoing projects that had started before. Therefore the analysis may take a longer-term perspective where appropriate by attempting to address some strategic or forward-looking questions that were raised by the stakeholders contacted so far. It will cover UNDP country activities, indirect activities and engagement through regional/global initiatives.

The ongoing country programme (2008-2012) comprises projects and services in the areas of (a) governance; and (b) poverty reduction and environment. Across these areas, the outcomes below have been identified in line with the national development priorities and the UNDP mandate. While gender and environment are outcomes on their own, they are also considered as cross-cutting dimension of the programme. The country programme activities (based on the CPAP and CPD) contributing to them are:

A – Poverty reduction: from now to 2012, the most disadvantaged grassroots communities will be more involved in the process of improving their livelihoods

A.1. Communities identify and implement projects that address their needs

A.1.1. Coordination groups of development actions open to all development players, including women and the youth, are created or made increasingly dynamic

A.1.2. Local development planning instruments will have to consider gender equality

A.1.3. Sustainable financing systems for local communities are established

A.1.4. Institutional and local communities' capacity to manage their natural resources are strengthened

A.1.5. The engagement of community leaders and of NGOs in the fight against HIV/AIDS is reinforced

A.2. The less favoured people in particular will have their income increased

A.2.1. Microfinance institutions are strengthened

A.2.2. Income-generating activities are extended

A.2.3. Capacity building on income generating activities is ensured

B – Strengthening governance: from now to 2012 all actors will elaborate and implement development policies in a participatory and transparent manner

B.1. All players (the Government, Parliament, the private sector, the regions, the civil society) participate to the formulation and implementation of development policies

B.1.1. The capacity to formulate, plan, manage and monitor the policies and programmes that integrate the matter of gender equality is reinforced

B.1.2. Transparency and the responsibility in implementing development actions is reinforced

B.1.3. The civil society and the private sector are increasingly involved in formulating development policy

B.1.4. The capacity to prevent and manage natural catastrophes is reinforced at all levels

B.2. Mechanisms to monitor and evaluate development policies are functional and effective

B.2.1. The national statistical system is reinforced and better coordinated

B.2.2. There is a better monitoring and evaluation of MDG programmes to fight against poverty

B.2.3. There is a better coordination of development aid

B.3. The promotion and protection of the rights of people, particularly children and women, are ensured

B.3.1. The judiciary system is reinforced

B.3.2. The directorate for women is reinforced

2. Analysis will be made on the contribution of UNDP to development results of Djibouti through its programme activities in the areas of poverty reduction and governance, with cross-cutting attention to gender and environmental aspects. The analysis will be based on these criteria:

- Relevance of UNDP's projects, outputs and outcomes;
- Effectiveness of UNDP interventions in terms of achieving stated goals;
- Efficiency of UNDP's interventions in terms of use of human and financial resources;
- Sustainability of the results to which UNDP contributes.

2. METHODOLOGY AND DATA

The evaluation has two main components; (a) the analysis of UNDP's contribution to development results through its programme outcomes, and (b) the strategy UNDP has followed to respond to specific service demands in Djibouti while at the same time advocating the agenda of human development. For each component, the ADR will present its findings and assessment according to the set of criteria provided below. Further elaboration of the criteria will be found in the *ADR Manual 2010*.

2.1 KEY QUESTIONS AND CRITERIA, INDICATORS, SOURCES, DATA COLLECTION AND ANALYSIS METHODS

The two major areas of inquiry of the ADR in Djibouti are outlined below, while both the main questions as well as the specific (sub-)questions are contained in the Evaluation Matrix.

1. UNDP's contribution through different interventions carried out during the ADR period in the areas of poverty reduction especially for the most disadvantaged communities, and by strengthened participatory and transparent governance

2.2 UNDP'S CONTRIBUTION THROUGH ITS POSITIONING AND STRATEGIES

The positioning and strategies of UNDP will be analysed both from the perspective of the organization's mandate²² and of the country development priorities. This will entail systematic analyses of UNDP's niche within the development and policy environment in the country, in the areas of poverty reduction and governance, with cross-cutting focus on gender and environmental strategies used by UNDP to maximize its contribution by adopting relevant strategies and approaches.

The following criteria will be applied:

- Relevance and responsiveness of the country programme as a whole;
- Enhancing comparative strengths;
- Promoting UN values from a human development perspective.

Although a judgement will be made using the criteria above and addressing some of the specific questions raised, the ADR process will also identify how various factors have influenced UNDP's performance. The evaluation criteria form the basis of the ADR methodological process.

²² For UNDP's Strategic Plan, see <www.undp.org/execbrd/pdf/dp07-43Rev1.pdf>.

Evaluators generate findings within the scope of the evaluation and use the criteria to make assessments. In turn the findings and assessment are used to identify the conclusions from the evaluation and to draw recommendations.

Very few or only partial evaluations and audits have been conducted in Djibouti so far. The first UNDAF review was only in late 2010. Until 2008 most projects were of NEX type but with UN agency execution. UNDAF was the framework assigned to fast track the MDGs in Djibouti and in the region in general.

The total expenditure of UNDP in Djibouti ranged from about USD 8 million for the 2003-2007 programme phase to about USD 7.2 million – as of mid 2011 – for the 2008-2012 programme phase. This includes both core and non-core funds. A list of projects is given in Table 2. A few of them will be sampled by the ADR for more in-depth analysis. The sampling approach differentiates the projects between ongoing or completed during the ADR period of observation (2003-2011) and those starting or in the pipeline. The former will be analysed in terms of results, the latter in terms of whether they meet UNDP's strategy and in view of advising how outcomes and impacts are being achieved and could be strengthened. The ADR criteria that will be used to select projects involve a mix of thematic/outcome areas; projects covering all main thematic areas of the ADR (governance, poverty reduction, food security, environment) are pre-identified after consultation with the country office to fall within the strategic priorities as per the Country Programme Document. The projects are classified according to ADR criteria, to constitute a comprehensive and representative list. The project information includes: type of institution/beneficiary (e.g., women, indigenous people), execution modality (DEX, NEX etc.), project size (small/large funding, etc.). Not only projects that take place in the capital but also those that span over the regions and rural areas setting will be considered.

The evaluability assessment led to designing parts of this report and included the following elements,

some of which contained in this report, and others that will be included in the final ADR report:

1. The Evaluation Matrix (Annex 3) to assess what information is needed, in conjunction with a map of the key stakeholders to be interviewed. In addition it identifies other informants that are not stakeholders;
2. A summary of the preliminary research done on available materials and documents (including evaluations done by external agencies (e.g., donors) and monitoring report of UNDP-co-financed projects;
3. A visual and synthetic map of the results framework of the programme;
4. A flowchart of the evolution of the country programme and of the key underlying events and factors;
5. A sample of activities (project and non-project) that the evaluation will have to review;
6. Special strategic themes that may require specific inquiry. These will also look at trans-boundary or regional issues (elections in neighbouring states, conflicts, armed groups, environmental protection);
7. Specific operational and managerial issues for UNDP (and partners) that the ADR will have to review.

This contributes to assessing the type and quality of the available information and the gaps that the ADR will have to deal with (and those it will have to accept). It will also ensure a more 'economical' approach to the ADR, in which the number of interviews with external informants is reduced to a manageable size.

The ADR will not use a rigid set of evaluation methods or data collection/analysis tools but identifies a few that are appropriate for the context of Djibouti, based on the outcomes of the scoping missions:

- Detailed desk review of UNDP documentation and analysis;

- Comprehensive client and/or partner surveys;
- Focus group meetings with members of core stakeholder groups;
- In-depth open-ended interviews (tailored to each group of stakeholder);
- Case studies on projects across selected ADR themes covering both successes and lessons learned;
- Qualitative assessment of the specific contribution made by UNDP and partners to the outcomes;
- Where possible: exploration of the counterfactual, or 'what would have happened without UNDP'.

3. PHASES OF THE ADR

The ADR process is set out in four phases as follows, representing a specific set of achievements and activities that should be normally completed before the next phase can begin.

1. Preparation and scoping phase
2. Main evaluation phase
3. Report writing phase
4. Dissemination and follow-up phase

PHASE 1: PREPARATION

The EO has carried out preliminary research to prepare for the evaluation and has uploaded relevant documents to a special (Intranet) website for the evaluation team and country office use. The task manager undertook preparatory and scoping missions and held discussion with key stakeholders prior to the preparation of this report. The Evaluation Office then set up the evaluation team. The ADR task manager in coordination with the team leader has prepared this inception report outlining the evaluation design.

PHASE 2: DATA COLLECTION AND ANALYSIS

- **Data collection** – Based on the ToR and on the research and documentation carried

out for the ADR, the team will carry out the evaluation by collecting data in the field and at relevant institutions.

- The field visits and work will be arranged through the country office, and planned with the team leader.
- The team will collect data according to the principles set out in these ToR.
- All interviews will be conducted based on indicative interview protocols, and (electronic/Word) summaries of each interview will be prepared based on an agreed structure to be defined in the evaluation design's qualitative data analysis approach;
- **Data analysis** – The evaluation team will analyse the data collected to reach preliminary assessments, conclusions and recommendations.
 - Once the data is collected, the evaluation team should dedicate some time (up to four days) to its analysis. The task manager will join the team during this phase to assist in analysis and validation;
 - Where possible, the evaluation team should develop data displays to illustrate key findings;
 - The outcome of the data analysis will be a preliminary assessments for each evaluation criterion/question, general conclusions, and strategic and operational recommendations;
 - Once the preliminary assessments, conclusions and recommendations are formulated the evaluation team will feedback/debrief the country office to avoid factual inaccuracies and gross misinterpretation.
- **Stakeholders feedback meeting** – A stakeholders feedback meeting will be organized at the end of the data collection and analysis phase to present the preliminary findings, conclusions and, possibly, emerging

recommendations to the ADR reference group (see below) and other key stakeholders, and to obtain their feedback to be incorporated in the early drafts of the report. The main purpose of the meeting is to facilitate buy-in by national stakeholders in taking the lessons and recommendations from the report forward, and strengthen national ownership of development process and accountability of UNDP interventions at country level. The most significant comments and feedback that will be received from the meeting participants will be usefully included into the final evaluation report.

PHASE 3: DRAFTING AND REVIEWS

- **First draft and quality assurance** – The team leader will submit a complete draft of the report to the EO within one week after the feedback workshop. The EO will accept the report as a first draft when it is in compliance with the ToR, the ADR Manual and other established guidelines, and satisfies quality standards. The draft is subject to a quality assurance process through external review.
- **Second draft, verification and stakeholder comments** – The first draft will be revised by the team leader to incorporate the feedback from the external review process. Once satisfactory revisions to the draft are made, it becomes the second draft. The second draft will be forwarded by the EO to UNDP country office and the Regional Bureau for Arab States (RBAS) for factual verification and identification of any errors of omission and/or interpretation. The draft evaluation report will also be forwarded to the ADR reference group (see under ‘Communication’ below) for comments and inputs. The team leader will revise the second draft accordingly, preparing an audit trail that indicates changes that are made to the draft, and submit it as the final draft. The EO may request further revisions if it considers it necessary.

PHASE 4: FOLLOW-UP

- **Management response** – UNDP-Djibouti will prepare a management response to the ADR under the oversight of the RBAS. The RBAS will be responsible for monitoring and overseeing the implementation of follow-up actions in the Evaluation Resource Centre.²³
- **Communication** – The ADR report and brief will be widely distributed in both hard and electronic versions. The evaluation report will be made available to the UNDP Executive Board by the time of approving a new Country Programme Document. It will be widely distributed by the EO and at UNDP headquarters, to evaluation outfits of other international organizations, and to evaluation societies and research institutions in the region. The ADR reference group will include the Ministry of Foreign Affairs (primarily) and of Finance and Planning, Ministry of Solidarity, of Youth, RBAS, UNICEF, one or two regions, members of the civil society. The Djibouti country office and the Ministry of Foreign Affairs (which is the formal reference ministry) and the Ministry of Finance and Planning and the Parliament will disseminate to stakeholders in the country. The report and the management response will be published on the UNDP website²⁴ as well as in the Evaluation Resource Centre.

4. EVALUATION TEAM: ROLES AND COMPOSITION

The evaluation team will be responsible for conducting the evaluation. This will entail, inter alia, conducting data collection, data documentation and analysis, presenting preliminary findings, conclusions and recommendations at de-briefings and at the validation/feedback (and possibly stakeholders) workshop, and preparing the first, second and final drafts of the ADR report as well as a draft evaluation brief based on the ADR

²³ <erc.undp.org/>

²⁴ <www.undp.org/eo/>

executive summary. The team will include the following members:

- The EO task manager (TM) will act as a member of the team and provide support to both the design of the evaluation, and the process of data analysis.
- The international team leader (TL), with overall responsibility for guidance and leadership to conduct the ADR, and preparing and revising draft and final reports. The TL will have significant experience across a broad range of development issues, and good understanding of UNDP and UN programming in the context of low-income countries. The estimated workload of the team leader is 30-35 days: 22 in the field (including 2 travel days, and the presence and active leadership and facilitation of the validation (and stakeholders) meeting, 5 for preparation and 8 to write the report.
- National team specialists (NTS; consultants) will support data collection and analysis. The NTS will support the TL and be responsible for drafting parts of the report. It is estimated that the workload of the team specialists is on average 15-20 days, for preparation, fieldwork, workshop attendance and report writing. Three team specialists will be hired; one will have a local independent leadership role:
 - 1. **National team leader** acting as an independent reviewer and adviser to help ensure the independence of the process and design, for 1 month (mid September-October), on all aspects, with focus on poverty and gender but with overall responsibility and coordination;
 - 2. **National resource person/adviser on poverty**/gender/environment aspects and linkages with the MTR on CPDT for 12 work days (with links to food security);
 - 3. **National resource person/adviser on governance** and poverty linkages (with links to food security) and linkages with the MTR of UNDAF for 12 work days.

The TM and TL, in collaboration with the NTL consultant and NTS advisers, will assess what can be evaluated and propose in the ADR protocols how it should be evaluated, with what sources (secondary and primary information to be collected) and with what instruments. These will derive from the main evaluation matrix questions (Annex 3) and include detailed protocols of methods and interviews.

5. LOGISTICAL SUPPORT AND ADR MANAGEMENT ARRANGEMENTS

The UNDP EO will conduct the ADR through linkages with the collaborating institutions of the Djibouti UNDP country office with its main partners, the Ministry of Foreign Affairs (formally) and the Ministry of Finance and Planning. Inter-ministerial coordination will play a role for operating the reference group.

The EO task manager provides overall management of and technical backstopping to the evaluation. The task manager sets the ToR for the evaluation, selects the evaluation team, writes the inception report, provides guidance to the conduct of the evaluation, helps organizing initial planning and feedback sessions; also receives the first draft of the report and decides on its acceptability, and manages the review and follow-up processes. The task manager also supports the team in understanding the scope, process, and approach of the ADR, providing advice on quality assurance, and assisting the team leader in finalizing the report.

GOVERNMENT COUNTERPART IN DJIBOUTI

The Ministry of Foreign Affairs is formally the government counterpart of UNDP in Djibouti, as well as de facto the Ministry of Planning and Finance. The ministry will facilitate the conduct of ADR by the evaluation team by: providing necessary access to information source within the Government of Djibouti, safeguard the independence of the evaluation, and jointly organize the stakeholder interaction with the EO.

UNDP country office in Djibouti

The country office will support the evaluation team in liaison with key partners and other stakeholders, make available to the team all necessary information regarding UNDP's programmes, projects and activities in the country, and provide factual verifications of the draft report. The country office will provide the evaluation team with in kind support (e.g., arranging meetings with project staff and beneficiaries; assistance for project site visits). To ensure the independence of the views expressed in interviews and meetings with stakeholders held for data collection purposes, however, the country office will not participate in them. The national consultants will support the organization of this effort and collect the data unless any possible conflicts of interest may be present on the part of the consultants; in those cases the team leader and task manager will operate.

During the entire evaluation process and particularly during the main mission, the country office will cooperate with the ADR team and respect its

independence and need to freely access data, information and people that are relevant to the exercise. The country office will ensure timely dispatch of written comments on the draft evaluation report. From its side, the ADR team will act in a transparent manner; and will interact regularly with the UNDP country office and national Government counterparts at critical junctures.

Office space is needed for the team leader, task manager and the national team specialists for the main mission; invitation to stakeholders and target information providers for interviews and final feedback meetings must be booked well in advance and at the start of the main mission. The EO will meet all costs directly related to conducting the ADR.

5.1 TIMELINE

The time-frame and responsibilities for the evaluation process are indicative of the process and deadlines, and don't imply full-time engagement of the team during the whole ADR period.

Activity	Responsibility	Time-frame
ADR initiation and preparatory work	EO	February 2011
Preparatory mission	EO	February 2011
Scoping mission; Select evaluation team, ToR	EO/CO	June 2011
Evaluation design, preparations (data, agenda)	ET	July-August
Main mission – Initial setup meetings, data collection	ET	15-25 September
Main mission – Data analysis, writing	ET/EO	25 Sept.-1 October
Main mission – Stakeholder feedback (informal)	CO, EO, ET, selected people	Early October
Submission of the first draft	TL/ET	10 October
Internal review	EO	By 20 October
Submission of the second draft	TL/ET	25 October
Review by CO, RBAS, Reference Group	EO, Ref. Group	10 November
Submission of the final draft	TL/ET	15 November
Editing and formatting	EO	15 December 2011
Issuance of final report and Evaluation Brief	EO	15 December 2011
Disseminating final report and Evaluation Brief	Min. Foreign Affairs (Finance & Planning), CO, EO, ET	From January 2012

6. ADR EXPECTED OUTPUTS

The expected outputs from the evaluation team in particular are:

- An inception report, providing the evaluation matrix;
- All drafts of the report “Assessment of Development Results: Djibouti” (~55 pages);
- An Evaluation Brief based on the Executive Summary (4 pages) and on EO practice;
- Presentations at a final stakeholder feedback meeting.

The final report of the ADR will follow the standard structure outlined in the ADR Manual 2011, and all drafts as well as the final document will be provided in French/English.



*Empowered lives.
Resilient nations.*

United Nations Development Programme
Evaluation Office
220 East 42nd Street, New York, NY 10017, USA
Tel. (646) 781 4200, Fax (646) 781 4213
Internet: www.undp.org/evaluation