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UNDP IN PARAGUAY

Following the end of a 35-year dictatorship in 1989, Paraguay launched a series of reforms that laid the foundation for the modernization of the country. Major development challenges of the last decade include a high level of socioeconomic inequality and weak institutions. Economic growth with little capacity to create jobs has limited efforts to reduce poverty.

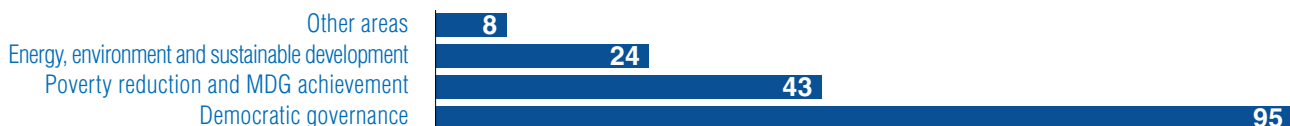
UNDP has provided assistance related to democratic governance and the modernization of the State, poverty reduction and sustainable human development, and environmental management. The Independent Evaluation Office of UNDP conducted an independent country programme evaluation that covered UNDP work from 2002 to 2010.

TOTAL PROGRAMME EXPENDITURE, 2004-2010: \$167.6 MILLION

FUNDING SOURCES, 2004-2010



PROGRAMME EXPENDITURE BY THEMATIC AREA, 2004-2010 (\$ MILLIONS)



FINDINGS AND CONCLUSIONS

UNDP has been repositioned in the last decade in Paraguay. A strategic shift towards advisory services, technical assistance, facilitation of dialogue and provision of information responded to government demands and human development needs. A stronger analytical capacity has helped UNDP enrich the development debate in the country during a critical time of change.

UNDP's significant role in poverty reduction included making conceptual and methodological contributions to the Social Safety Net and programmes that emerged with it, as well as to the National Food Assistance Programme. A focus on poor and marginalized people is increasing with a strategic move towards substantive direct execution projects and the strengthening of decentralized actions. Pilot projects have been launched to promote the productive development of rural groups in the framework of poverty reduction, for example, strengthening cooperation with poor populations.

A state modernization programme that was more than 90 percent financed by the Government encompassed a series of important initiatives. These included a white paper on institutional reform, the creation of the Office of Human Development, and support for six governors in strategic management. Assistance to presidential transitions in 2003 and 2007 shaped national plans and strategies, as well as sectoral targets for some key ministries. Paraguay has established baseline indicators

on democratic governance, and in the complex sector of water and sanitation, has established unified data so that strategies build on common statistics.

The inclusion of civil society organizations and sub-national governments seeking to strengthen governance structures and practices from the grass-roots received early encouragement from UNDP. Representatives of civil society organizations participated in the development and implementation of UNDP plans and some projects in the areas of the environment, emergency response, the water sector and so on. But a programme to strengthen civil society per se was not defined.

Gender issues have gained momentum since 2007, with activities related to combating domestic violence and strengthening the Gender Unit within the Directorate of Human Rights of the Supreme Court. Youth issues were addressed through specific projects, such as on youth, employment and migration, which sought to expand capabilities and opportunities for poor and vulnerable youth, including indigenous youth.

Paraguay's two United Nations Development Assistance Frameworks helped create a common vision of United Nations support to the country. Although systematic joint monitoring is a pending issue, a culture of regular coordination has produced high-impact joint projects and reduced duplication. UNDP and UNICEF jointly established the Investing in People programme,

for example, which was joined by UNFPA in 2005. In less than a year, the programme firmly established the concept of social expenditure for regular application in budgetary analyses, the costing of social goals and the Millennium Development Goals (MDGs), and analysis of social investments. The programme has received several international awards and now provides technical assistance to other countries.

While UNDP's interventions as a whole have responded to national priorities, support overall was only modestly effective. This was due in part to the concentration of support for entities within the executive branch, which is mostly characterized by institutional weakness and limited policy stability. Contributions to capacity development tended to erode. UNDP interventions lacked broader institutional anchoring negotiated with the Government as well as adequate monitoring and evaluation systems. Responsiveness to requests from the executive branch was high. Yet the consistency of responses was affected by changes in the legislative and executive branches.

A broad approach to strategic planning did little to focus efforts, even though UNDP's portfolio of activities became more consolidated. Most projects did not have indicators to measure outcomes or sustainability, nor did they have exit strategies incorporated in their design.

With project management services greatly reduced in favour of smaller-sized technical assistance projects, many executed directly by UNDP, financial income was substantially reduced, although this trend was partially offset by higher contributions from third parties and corporate funds. UNDP operational and programmatic services were relatively efficient, despite financial constraints and the demands of corporate systems.

UNDP's willingness to adjust its programme deepened and sustained its strategic relevance. Its strength was once project management services—which it can still provide—but it has emerged as a source of expertise on development thinking, practice and innovation. It used its convening power and flexibility to define new initiatives and make them feasible to implement within the framework of government policies and reforms.

RECOMMENDATIONS

- It is recommended that UNDP formulate a national strategic document that concisely determines: the basic guidelines that will ensure the greatest leveraging of scarce UNDP resources in terms of human development results; the different lines that UNDP carries out (topical and cross-sectional areas, research and dissemination of knowledge, project management, activities not related to projects) and those implemented by mandate from headquarters (e.g., administration for other agencies) with cost implications; and the allocation of resources (staff, time, funds) between the defined lines, each with its own funding plan, updated periodically.
- In the three main areas of intervention, internal brief documents should be drawn up that define the strategy by topical area, with sufficient specificity to facilitate transparent selection of activities to support.
- Greater precision in defining activities targeting priority groups is needed, indicating how to reach them.
- The strategic shift towards more 'substantive' activities presents UNDP with the challenge of developing a working format that allows it to carry out a longer term programme, thinking of new forms of shared implementation. UNDP is encouraged to explore modalities with national stakeholders and other United Nations agencies. Longer-term financing should be sought via different channels, including to maintain the space created and further extend the debate on poverty, inequality and human rights.
- Improving social programmes requires strengthening initiatives in more than just the public sector. UNDP could explore possibilities for further alliances with networks including NGOs, businesses and other stakeholders, particularly to target disadvantaged groups and young people, with due regard for gender equity.
- Paraguay is exposed to the economic and ecological shifts and changes of neighbouring countries. The UNDP regional network (Southern Cone) and other actors from neighbouring countries could engage in reflection to identify joint projects with direct relevance for the improvement of human development in Paraguay.
- UNDP should mobilize external support or corporate networks to strengthen the continuous monitoring of finances, administration and substantive activities. Structured monitoring and evaluation should become a management tool. With regard to institutions and government projects, it is recommended that more attention be paid to M&E in order to support proper tools for more efficient public management.

ABOUT THE ICPEs

Independent country programme evaluations (ICPEs) are the backbone of the work of the Independent Evaluation Office. They capture evidence of UNDP's contributions to development results and the effectiveness of strategies supporting national development. They enable continued improvement in UNDP programmes, contribute to strengthened national ownership and evaluation capacity, and underpin accountability to national stakeholders and UNDP's Executive Board. To date, over 100 ICPEs have been conducted worldwide.

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