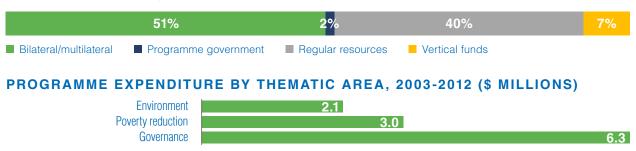
## **UNDP IN DJIBOUTI**

Despite a high-quality harbour astride the entrance to the busy Red Sea shipping lanes, 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. Poverty levels remain stubbornly high and income distribution highly skewed, even with promising economic growth in recent years.

UNDP's assistance has focused on a range of government programmes related to poverty reduction, including environmental sustainability and crisis recovery, as well as governance. The Independent Evaluation Office of UNDP conducted an independent country programme evaluation that covered UNDP work from 2003 to 2012.

### TOTAL PROGRAMME EXPENDITURE, 2003-2012: \$11.4 MILLION

### FUNDING SOURCES, 2003-2012



# FINDINGS AND CONCLUSIONS

Most UNDP programme activities were highly relevant, and aligned with Djibouti's development priorities as they were carefully framed within a poverty reduction strategy that UNDP supported since its inception. Effectiveness was considerable among activities aimed at poverty reduction, crisis recovery, improved environmental management and addressing HIV/AIDS, but less so in the governance programme.

In the arena of microfinance, UNDP helped develop a strategy for the sector, and supported the creation of a legal, regulatory and institutional framework as well as a regulatory group in the Djibouti Central Bank. A number of savings and credit societies were set up. Management tools, including operations handbooks, accounting procedures and business plans, were put in place. These actions have helped strengthen the credibility and financial viability of microfinance, and allowed micro-loans to become widely available. The number of beneficiaries rose from 1,200 in 2008 to 11,500 in 2011, more than 80 percent of whom were women.

UNDP support to the National Initiative for Social Development (INDS) drew on national experiences with an earlier poverty reduction strategy, where the worsening condition of vulnerable people was not visible because of the lack of coordination, monitoring and reliable data. Assistance helped create a permanent technical secretariat for the INDS, where international and national experts produced an action plan for 2008-

2012, approved by the Council of Ministers, as well as instruments for implementation, and monitoring and evaluation. Substantial improvement was made in the production and publication of statistical data, although Djibouti still faces the ongoing challenge of gaps in the supply of suitably trained statisticians.

On the environment and adaptation to climate change, UNDP has emerged as the Government's key interlocutor among international partners, with a valuable role in resource mobilization, most notably for the Day Forest and the emerging Marine Protected Areas project. The Day Forest initiative was well integrated within a broader development objective, delivered through the Ministry of Agriculture under a programme focused on improving resource management among local communities. Gains at Day Forest, however, can only be consolidated over the long term if they are accompanied by an affordable long-term source of water to meet the multiple needs of local users.

Other achievements included helping the National Assembly become better equipped to fulfil its role of supervising the executive, such as through strengthened operational capacities and a communications programme. UNDP support for judiciary reforms backed remarkable strides that will likely last over the longer term. These encompassed a variety of institutional reforms in the court system, the coding and harmonizing of legal and regulatory texts, the reorganization of the Ministry of



Justice, and steps towards better alignment with international standards in the prison system. A National Human Rights Commission was created and a three-year action plan put in place toward identifying international human rights instruments and meeting their obligations.

Areas of chronic difficulty included the monitoring and evaluation of national programmes, and decentralized development. Challenges in the latter comprised the lack of local financing mechanisms and capacities, and inconsistent political support. UNDP neglected an opportunity to promote the private sector and its capacity to generate jobs, despite the strong link between poverty and unemployment. Programmes did not fully address social and environmental sustainability, which requires cross-cutting approaches, use of integrated strategies and enhanced capacity development. Gender, environmental sustainability and HIV/AIDS were often treated in isolation rather than being consistently integrated across programmes.

UNDP was partially effective in aid coordination and improved its support to the Government in this area. Perceptions of results among other international partners, however, may be unduly critical. This relates in part to unrealistic estimates of what is possible in the Djiboutian context and to comparisons with other African countries with more elaborate, effective aid coordination structures. Strengthening monitoring, evaluation and reporting capacities, within UNDP programmes and among government partners, could improve capacities for aid coordination.

Direct resource mobilization results from 2003 to

2011 were modest but significant, exceeding the value of core resources in each period. Results were more significant for downstream activities on post-war recovery, decentralization and environmental sustainability than for upstream activities, although significant indirect resource mobilization came through UNDP catalysing support for the microcredit programme. Some government partners expressed disappointment in UNDP's resource mobilization results. Some may have unrealistic expectations of what is possible, generated in part by UNDP's propensity to overstate its capacities for aid mobilization.

Coordination within the UN country team was hampered by competition among team members. Yet there was appreciation for the UN Resident Coordinator as a high-profile and effective spokesperson for the United Nations 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.

For the most part, UNDP has positioned itself well in Djibouti. But it is challenged by insufficient resources to take advantage of its positioning. Success with resource mobilization for downstream activities, even with UNDP's considerable comparative advantage in supporting upstream, policy- and strategy-oriented activities, has justified a presence in both, overstretching country office capacities.

## **RECOMMENDATIONS**

- Implement a carefully selected mix of upstream and downstream activities.
- Reduce the proliferation of thematic scope of UNDP programming in Djibouti.
- Maintain focus on well-defined areas of concentration.
- Reduce presence in areas where UNDP has been catalytic in the past and other players have now come on board.
- Carefully analyse programming areas with chronic problems before making any further commitments.
- Help the Government achieve potential synergies between effective aid coordination and effective monitoring and evaluation.
- Support aid coordination while contributing to promoting more collaboration among government partners.
- Support resource mobilization efforts by highlighting Djibouti as a peaceful role model, regional hub and strategic entry point to a dynamic region.

### 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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