Ecuador is a middle income country, unique for its cultural, geographical and biological diversity. Its human development index score has improved between 1996 and 2005, yet income inequality across regions and ethnic groups still constitutes a challenge. It has faced deep economic crisis as well as high levels of political instability and institutional fragility. Nature conservation in the Amazon and the Galapagos archipelago, two of the major global biodiversity reserves, are an important political challenge and a national priority.

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**UNDP IN ECUADOR**

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**FINDINGS AND CONCLUSIONS**

UNDP contributed to national capacity development and the continuity of institutional activities as Ecuador emerged from a deep economic crisis but was still experiencing high levels of political instability and institutional fragility. The image of UNDP as a reliable development partner, capable of acting in a decisive manner during times of political tension, was the result of a strategic vision appropriate to the situation as well as continuous responsiveness to change.

The ability to move strategically in different situations was evident in the plurality of roles played by the organization. It acted as an advisor to decision makers and planners, mediated conflicts that threatened democratic governance, facilitated institutional processes through technical assistance and administrative services, and mobilized resources for national projects.

The greatest effectiveness was achieved in creating synergies between different actors, even when this did not result in a large budget. The restoration of the Supreme Court of Justice, for example, was widely recognized as an example of how UNDP and the United Nations can best use their neutrality to mediate among conflicting institutions, helping the country avoid a constitutional crisis and preserve the rule of law.

UNDP administrative services contributed to the continuity of government programmes during times of instability, but in some cases, the organization engaged in projects that fell out of its direct area of competence. Where it ended up substituting for the role of national institutions in public administration, opportunities were lost to foster national institutional capacities. A situation of dependent relations occurred, as was the case with a tunnel project in Quito.

When this situation was avoided, national capacities were developed. For example, UNDP supported the Ministry of Education with the sensitive negotiation of incentives and the design of a disbursement system for teacher retirements that freed resources for new hiring for the Basic Education for All programme.

The strengthening of institutional capacities for systematic poverty monitoring and development planning involved devising a methodology now used as the basis for national and local diagnostic and planning efforts. Both national and local Millennium Development Goal (MDG) reports provided detailed socioeconomic data broken down by gender and ethnicity, showing attention to issues of diversity and gender equality, and providing a good basis for targeted policies and programmes. Two MDG reports exclusively focused on indigenous and Afro-Ecuadorian people.

While UNDP interventions have been relevant to national challenges, there is need for more objective
criteria in selecting thematic and territorial areas of focus. Support to the city of Guayaquil to develop local capacity for urban development management was a good practice. Yet overall, the 2006 report on development cooperation in Ecuador, published by the Ecuadorian Institute for International Cooperation, highlights a gap between the poverty map and the map of development cooperation in the country. The evaluation did not find evidence of a rational strategy determining UNDP programme implementation priorities; these have been determined by the capacity of national and local actors to formulate and channel their demands and by the availability of financial resources from third parties, either the Government or bilateral donors. This may partially explain the perception within civil society that UNDP sometimes has ambivalent positions or is too focused on government issues.

A flexible approach that responds to national and local demands is desirable and consistent with the principle of national ownership. Many social groups and some local governments may need specific support to transform their needs into formal demands and to channel them appropriately, however. A systematic effort to reach these more vulnerable actors is necessary to contribute to reducing socio-economic disparities across the country.

The lack of effective monitoring and evaluation limited strategic management as well as institutional learning and accountability. This led to project implementation where quality was uneven and dependent on the parameters of the executing agency or the personal capability of the project coordinator, with no relation to UNDP project management quality standards. Inadequate monitoring and evaluation also undercuts the potential to inform public debate on the basis of UNDP experiences on the ground, which was a key feature of the corporate strategy to serve as an international knowledge network and knowledge broker.

A structural constraint for UNDP in Ecuador has been the lack of core resources and, consequently, the need to follow the supply of funds from local, national and international actors. Among the key challenges ahead will be the need to strike a better balance. It will be critical to implement new resource mobilization strategies in areas of UNDP competence and value added that are closely linked to long-term national development objectives and policies.

**RECOMMENDATIONS**

- **UNDP should be responsive to the government understanding of development challenges, putting greater emphasis on human development as a process of social change that extends beyond the MDG agenda.**
- **UNDP should adopt objective criteria for selecting territorial areas of intervention while responding to the need for enhanced efficiency of implementation and coordination on the ground with local, national and international actors.**
- **UNDP should clearly align its projects and programmes to medium and long-term national development objectives and policies, and should avoid abrupt interruption of support initiatives, particularly in the areas of human rights, fiscal transparency and local democratic governance.**
- **While continuing to act as a development broker, UNDP should diversify its interlocutors in order to choose the best partners for interventions. Work on the MDGs, and poverty reduction in general, should be done in closer partnership with the Ministry of Welfare and other relevant actors of the state and civil society, including the private sector, at the national and local level.**
- **UNDP needs to strengthen its capacity to manage for development results, including an effective monitoring and evaluation system. The search for greater focus, better internal communication and synergy, optimization of resources, and effective partnerships must be rationally planned. There is need for a set of indicators that enable quantitative and qualitative monitoring of UNDP work and progress towards expected outcomes.**
- **Whenever development support services are provided, they should be framed in a clear cooperation and exit strategy to avoid substituting the role of national institutions and creating dependent relationships that do not contribute to national capacity development. Along this line of thinking, new types of services might have to be envisioned and negotiated in close consultation with the Government of Ecuador.**

**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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