

## UNDP IN HONDURAS

Honduras is one of the poorest countries in Latin America. About two-thirds of its people live in poverty. Income is very unequally distributed, and the country suffers from high unemployment and underemployment. Following a series of authoritarian regimes, a fragile democracy was installed in 1982. Since the mid-nineties, progress has been made in transitioning to a more democratic society through establishing institutions for

good governance and poverty reduction.

UNDP has provided support for programmes related to democratic governance, poverty reduction, environment and natural resources management, natural disaster response and HIV/AIDS. The Independent Evaluation Office of UNDP conducted an independent country programme evaluation that covered UNDP work from 1998 to 2004.

### TOTAL PROGRAMME EXPENDITURE, 1998-2003: \$309.5 MILLION

#### FUNDING SOURCES, 1998-2003



#### PROGRAMME EXPENDITURE BY THEMATIC AREA, 1998-2003 (\$ MILLIONS)



## FINDINGS AND CONCLUSIONS

UNDP has established high visibility in Honduras. It has been very effective in promoting ideas, especially with respect to governance, and contributed to tangible results both at the central and local levels.

For example, UNDP assisted the Ministry of Governance and Justice (Interior) in the elaboration of the programme for decentralization and local development, the outcome of which was the first clear national policy on decentralization. Instrumental policy advice aided in the formulation of the programme and in placing decentralization high on the Government's agenda. At the municipal level, UNDP embarked on four different projects to strengthening the technical capacity of municipal governments. The programme made a significant contribution to improving fiscal and administrative management, and promoting transparency.

In poverty reduction UNDP did not appear to be as successful, for it did not use its comparative advantage as a facilitator of policy dialogue. Currently, the main drivers of poverty reduction programmes in Honduras have been the international financial institutions. UNDP contributed to these programmes as a facilitator, which was important in the Poverty Reduction Strategy Paper (PRSP) process, including in broadening participation. But its role in developing crucial alternative proposals

or thinking around poverty reduction was not significant. More effective advocacy and policy dialogue need to be linked with projects specifically aimed at poverty reduction.

UNDP contributed to setting up the national institution for sustainable rural development and provided technical assistance to the Ministry of Agriculture in the formulation of the National Programme for Sustainable Rural Development. However, besides the execution of numerous projects, UNDP did not use its leverage to facilitate a broad-based policy dialogue among relevant stakeholders for the reduction of poverty in rural areas.

Financial and technical assistance resulting in the setting up of the Institute of National Statistics was widely perceived as a positive and lasting outcome that has greatly facilitated the availability of quantitative data on poverty.

The Human Development Reports were extremely valuable tools for contributing to meaningful dialogues with the government as well as the civil society. Their statistics have made them a standard reference book for donors. If used strategically, Human Development Reports can be a valuable tool that puts UNDP on the map. The PRSP, for instance, used the human development index contained in the Human Development

Report as a criterion for focusing on the poorest.

UNDP's involvement, though limited, was quite successful in the field of environmental protection. In disaster management, UNDP was not initially equipped to deal with hurricane Mitch. But it took steps to adjust and assist the national disaster management system. Work on the identification of high-risk areas and the certification of bodies for risk management was a step in the right direction, although a full system to deal with natural catastrophes is not in place yet.

Capacity development is a long-term process and a key strategy of UNDP interventions. However, in a country like Honduras where there is dearth of capacity and a large staff turnover within the government bureaucracy after each election, capacity development should be a strategy that includes more components than just training. Capacity-building is multifaceted, involving training, advisory support, and knowledge creation and dissemination. Progress can only be measured if quantitative and qualitative measurements are explicitly incorporated in projects and programmes.

UNDP successfully mobilized funds for development, including through bilateral and multilateral orga-

nizations, and the Business Centre. The latter provided additional revenue, and at the same time assisted the Government where it lacked capacity. But its role and performance should be revised so that activities support initiatives that are linked to the development agenda of the country, and do not remain too close to businesses, private or public. Measures should be taken so that the Business Center transfers its knowledge to appropriate government agencies so that they will get well-trained and able staff.

Overall, UNDP was quite successful in Honduras. Despite the fact that Honduras is a small country, and UNDP had a very modest core budget, it was perceived as a neutral but effective partner that can provide independent technical advice to the Government and civil society. Its international reputation of impartiality has made it a trusted partner in resolving the country's most pressing issues. It has a critical mass of personnel that delivers a high level of technical advice. Last but not least, it has demonstrated the authority and flexibility to respond rapidly and effectively to the new challenges the country faces.

## RECOMMENDATIONS

- The role of the Business Centre should be reviewed towards a gradual transformation from only dealing with procurement to a greater engagement with the private sector to raise resources particularly for poverty reduction.
- Concentrate on strategic actions to address poverty reduction and inequality. Prioritize market oriented and economic development alternatives. Fostering participation at the local level, albeit important, cannot supersede the goal of facilitating opportunities for pro-poor economic growth.
- Continue supporting the strengthening of democratic governance towards promoting human development. Foster local governance by giving priority to linking governance interventions with poverty reduction strategies.
- Improve technical expertise in poverty reduction and rural development, and devise a strategic approach to designing a poverty reduction strategy with the human development approach.
- An appropriate employment generation strategy needs to be developed that integrates rural development with poverty reduction.
- Enhance the linkage between governance, and poverty reduction, so that both governance and poverty reduction projects are implemented under a common strategy.
- Mainstream gender considerations into all programmes and projects. Assess the implications of any planned action for men and women, integrating women's and men's concerns in the design, implementation, monitoring and evaluation of its programmes, and in advocacy, knowledge management, and policy dialogue.
- Reduce standalone projects and strive to organize the work within the concept of development outcomes.
- Enhance skill formation and capacity. Project document design should give greater attention to monitoring and evaluation of capacity building.
- Enhance monitoring and evaluation capacities.
- Integrate a broader spectrum of civil society groups and NGOs in the participatory mechanisms UNDP helped to put in place through different government interventions.

## 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.

See the full reports at the Evaluation Resource Centre, [erc.undp.org](http://erc.undp.org)