

Evaluation Brief

UNDP SUPPORT TO POVERTY REDUCTION IN THE LEAST DEVELOPED COUNTRIES



The evaluation of UNDP support to poverty reduction in the Least Developed Countries (LDCs) assessed the contribution of country programmes and of global and regional programmes to reducing poverty across five streams of UNDP support, i.e., inclusive growth and employment; local economic development; sustainable livelihoods; early economic revitalization; and integration of the Millennium Development Goals/Sustainable Development Goals. The evaluation assessed UNDP country programmes and global and regional programmes for the period 2014 to 2017; and covered all LDCs in Africa, Asia and the Pacific, the Arab States and Haiti in the Caribbean.

Over the period 2014-2017, UNDP programme expenditure averaged \$4.3 billion a year with an increase to \$4.5 billion in 2017. Expenditure on poverty reduction in LDCs in the same period was \$2.17 billion, which accounted for 41 per cent of the overall LDC portfolio (\$474 million in regular resources and \$1,698 million in other resources). In terms of regional distribution, Africa had the highest expenditure (62 per cent of the \$2.17 billion), followed by Asia and the Pacific (24 per cent) and the Arab States (12 per cent).

EVALUATION FINDINGS

Policy formulation and institutional capacity development

- UNDP support for policy analysis in several LDCs enabled formulation of appropriate strategies underpinned by people and an inclusive livelihood-centred approach. There are several examples where UNDP contributed to the capacity development of key institutions having direct roles in shaping pro-poor policies and actions.

Sustainable Development Goals

- UNDP led the conceptualization of the mainstreaming, acceleration and policy support (MAPS) framework and its promotion as a United Nations system-wide tool. Plans in which the Goals have been mainstreamed have led to improved financial assessments and budgetary allocations indexed to national targets for the Goals. Sufficient thrust on MAPS will be critical to maintain the momentum of integrating the Goals.

Inclusive growth and employment generation

- UNDP has shown a strong commitment to fostering transformative partnerships with the private sector. In the LDCs, alternative and impact financing from the private sector, although conceptually relevant, is still on the fringe and nascent in its prospects. UNDP has yet to use its comparative advantage of country presence and credibility to scale up work in this area.
- Youth-related support at the country level consisted largely of stand-alone initiatives and was not well integrated with the diverse employment and livelihood initiatives of UNDP.
- UNDP interventions included a mix of policy support for gender-responsive frameworks and women-targeted interventions to address the expansion of income opportunities and access to finance.

Local development

- UNDP has contributed to a more holistic strategic framework for local governance and local development (LGLD) support which addresses poverty reduction and the 2030 Agenda for Sustainable Development. Where LGLD support achieved the most impact, mutual partnerships enhanced intervention models and efforts for scaling up.

Sustainable livelihoods

- Integrated livelihood approaches as part of the environment, energy, and climate change adaptation initiatives at the community level had tangible outcomes. Community-level livelihood initiatives have been an effective tool for mainstreaming environment within community systems, demonstrating linkages to reducing poverty; creating awareness and empowering communities; and providing models that can be replicated. UNDP has yet to effectively leverage its community-level programmes to inform national approaches and policies on sustainable livelihoods.

Economic recovery and revitalization

- Community-driven programmes have played a significant role in providing employment and quick economic recovery in post-conflict contexts. However, short-term income-generation support, in the absence of continuity and linkages to long-term employment initiatives, had limited poverty reduction dividends. In most post-conflict contexts, while development support modalities are not possible until the country transitions to normal development assistance mode, there is increasingly a need to break the humanitarian-development divide as a combined approach is essential for longer-term development transition. Post-conflict situations

characterized by a collapse or exit of financial services and market service providers, these ecosystems need to be revitalized for sustainable poverty reduction and peace. Despite its organizational expertise, UNDP contributions to economic recovery often failed to take a long-term development perspective in economic revitalization support.

Gender equality and women's empowerment

- UNDP supported improvements in economic opportunities for women by assisting upstream policy reforms and promoting downstream microcredit schemes and employment opportunities. UNDP had more success when it worked on women-specific initiatives promoting access to finance, enterprise skills and markets. Opportunities for gender mainstreaming in programme design and implementation remain underutilized.

CONCLUSIONS

- Poverty reduction programme approaches and areas prioritized by UNDP are highly relevant for the LDCs. There was a strong focus on rural poverty reduction and livelihoods. Support for integrated planning and macroeconomic frameworks, expansion of productive capacities and value chains, and local development has positively contributed to policy improvements.
- UNDP's low scale of engagement in private sector related work and the slow pace of action is undermining its contribution to poverty reduction.
- In conflict-affected and post-conflict countries, UNDP's role and contribution to economic revitalization have been important. For sustainable long-term poverty reduction medium- and longer-term income-generation efforts are needed earlier in the crisis recovery cycle.
- Inclusive growth and employment projects in LDCs could not generate scalable and transformative solutions for enhancing productive capacities.
- UNDP's contribution to sustainable livelihoods is often insufficient to make a visible difference in many LDCs, due to the small scale of its work in relation to the magnitude of the problem.
- Lack of selectivity in programme choices with regard to regular resources, inadequate resource mobilization to close programme funding gaps, and insufficient strategic programmatic partnerships have undermined UNDP's contribution.
- Inadequate resource investment towards gender equality and women's empowerment can undermine the effectiveness of UNDP's contributions, particularly in Africa.
- UNDP support to LDC graduation issues tends to be reactive and based on specific demands

RECOMMENDATIONS

- UNDP should consider a more consistent engagement in a set of poverty reduction subthemes.
- UNDP should better define for government counterparts the poverty reduction areas where it intends to stake out a strong technical support role and detail the substantive tools and solutions towards sustainable income generation and livelihoods it can provide.
- UNDP should demonstrate global leadership in the development and use of multi-dimensional poverty indices.
- UNDP should increase the pace and thrust of its support to private sector development and impact investment in LDCs. Given the structural constraints in harnessing market opportunities, innovative private sector finance tools should be improvised and promoted in LDC contexts.
- Further emphasis is needed to enable linkages between UNDP community-level sustainable livelihood programmes and rural poverty alleviation policies in LDCs.
- UNDP should take measures to leverage this important area of its work to better inform government policies and programmes.
- Bridging the humanitarian and development divide for more sustainable poverty reduction should be systematically pursued in crisis and post-crisis contexts. UNDP should also pay sufficient attention to intersecting vulnerabilities that reverse poverty reduction outcomes.
- Partnerships for poverty reduction at the global and country levels should be pursued as a strategic programming option.
- UNDP should pay further attention to strengthen gender-responsive poverty reduction policy processes. There is a need for more dedicated resources and commitment to gender equality and women's empowerment in the LDCs.
- UNDP should take steps to enhance its programming on youth employment and empowerment.